metro
BRANDS

Stepping Up with India's Decade of Growth

Proud past. Exciting future.

Metro Brands Limited | 45TH ANNUAL REPORT 2021-22

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FINANCIAL REPORTS

At Metro Brands Limited (MBL), we share a deep connect with our great nation.

Like India, we have a proud past. While we started our journey as 'Metro' way back in 1955, our roots go back to the pre-Independence era when our founder worked in the store that he later took over and rechristened. Over the years, we have grown to become one of the largest Indian footwear specialty retailers with iconic brands in our portfolio.

At 75, India stands at an inflection point with the 2020s being hailed as 'India's Decade of Growth'. Among the world's fastest-growing major economies, with rapid urbanisation, a fast-expanding middle class, and one of the youngest populations in the world, India is the place where the world wants to be. Bold reforms and encouraging schemes further underpin the firm belief that the 2020s belong to India.

As India marches ahead, we are committed to meeting the aspirations of India's one billion-plus population and contributing to our nation's exciting growth story. We are taking our brands to new cities and towns, enhancing our online presence and emerging as a platform of choice for third-party brands looking to expand in India. New opportunities are being created for our people, vendors and communities to ensure that everyone can grow together.

We have walked step-by-step with India over the years. We are now proudly stepping up with India's decade of growth.

AT A GLANCE

Metro Brands Limited (also referred to as 'Company' or MBL) is one of the largest Indian footwear specialty retailers and among the most aspirational Indian brands in the footwear category.

Commencing operations with a single store in 1955, we have since evolved into a one-stop shop for all footwear needs by retailing a wide range of branded products for the entire family and for every occasion. We retail footwear under our own brands as well as certain third-party brands. We also offer accessories such as belts, bags, socks, masks, wallets, foot care and shoe care products. With our pan-India retail footprint and growing online presence, we serve customers across the country.

MBL was publicly listed in December 2021 and the Company is headquartered in Mumbai, India. MBL has a subsidiary, Metmill Footwear Private Ltd. and a joint venture, M.V. Shoe Care Private Limited. Metmill operates shop-in-shop counters in large format stores and distributes third-party brands. Our joint venture is engaged in the manufacturing and sale of shoe care and foot care products under its own brand.

VISION

To be India's largest specialty footwear and accessories retailer

VALUES

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

KEY BRANDS

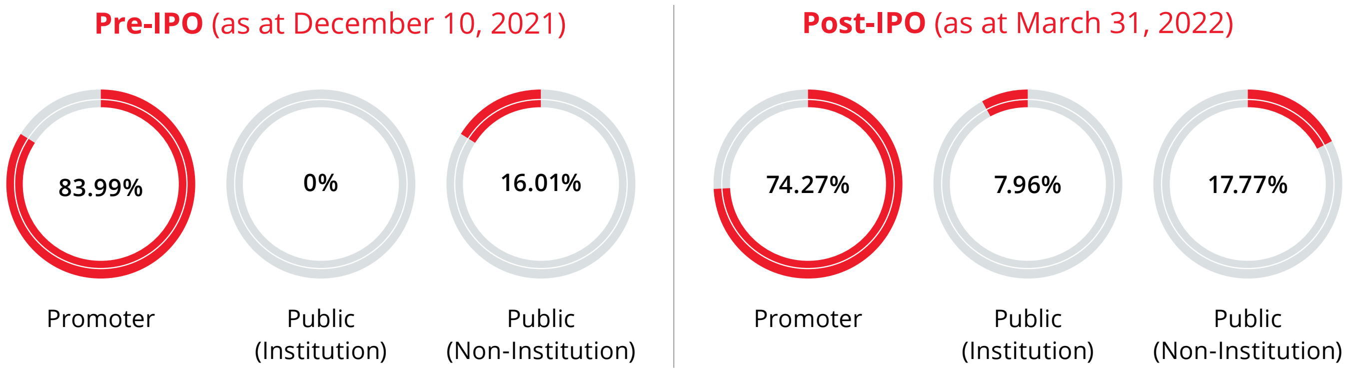
In-house

METRO SHOES · MOCHI SHOES & ACCESSORIES · WALKWAY Footwear & Accessories

Third-party

crocs™ · fitflop

SHAREHOLDING PATTERN



OUR STORY IN NUMBERS

65+
Years of Experience

10 million+
Loyalty Membership

5
Store Formats[#]

624
Stores

30
States and Union Territories

142
Cities

3,980
Employees[##]

250+
Footwear Vendor Partners

73%

Revenue Contribution of In-House Brands[###]

₹1,343 crores

Revenue from Operations in FY 2021-22

68% YoY ^

₹410 crores

EBITDA in FY 2021-22

138% YoY ^

(30.6% EBITDA Margin)

₹214 crores

PAT in FY 2021-22

231% YoY ^

(15.9% PAT Margin)

All data is as of March 31, 2022, unless otherwise mentioned

[#] The 5th store format, FitFlop, was launched in April 2022

[##] On a standalone basis (including those on payroll, contract, apprentices etc.)

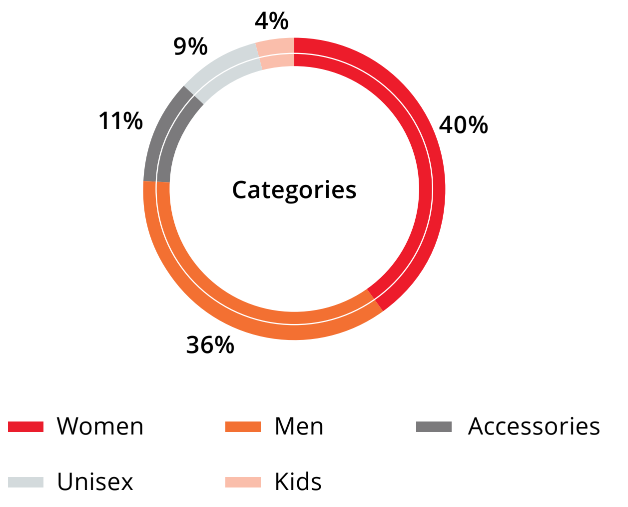
[###] Share of revenue at Multi Brand Outlets in FY 2021-22

MEETING THE ASPIRATIONS OF EVERY INDIAN

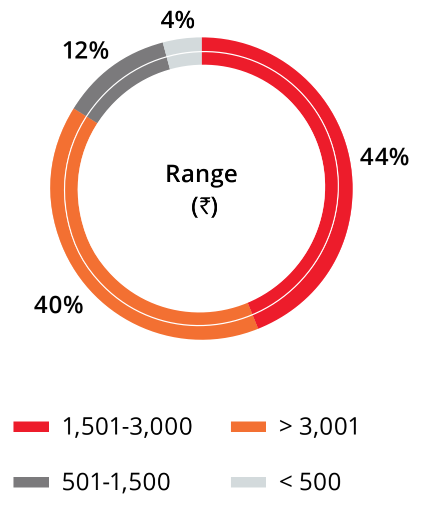
Through our compelling brand mix and by being present in every footwear category, we have been meeting Indian aspirations for over six decades.

With brands at multiple price points, we are perfectly placed to meet the footwear needs of different customer cohorts. It also helps us to meet changing aspirations as customers evolve in their premiumisation journey. Moreover, the diverse range of footwear products across our brands enables us to meet the varied requirements – from casual, party-wear, wedding, formal to sportswear – of every family member.

CATEGORY-WISE SPLIT OF TOTAL STORE PRODUCT SALES*



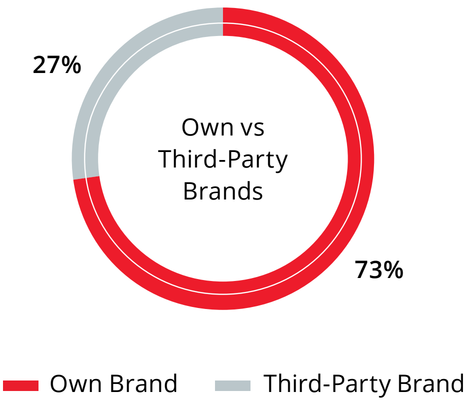
PRICE-WISE SPLIT OF TOTAL STORE PRODUCT SALES*



** Note: For FY 2021-22 on a standalone basis*

Our brand portfolio is a powerful mix of in-house brands of Metro, Mochi, Walkway, Da Vinchi and J. Fontini, as well as certain third-party brands such as Crocs, Skechers, Clarks, and FitFlop, which complement our in-house brands.

BRAND-WISE SPLIT OF TOTAL STORE PRODUCT SALES AT MULTI BRAND OUTLETS (MBOs)**



*** Note: For FY 2021-22 on a standalone basis*

Footwear styles are ever-changing. In India, regional sensitivities also influence consumer decisions. To meet evolving consumer preferences and cultural variations, new designs are regularly introduced for our in-house brands. We have also been running loyalty programs for customers, including Club Metro, My Mochi, and Crocs Club. Our loyalty programs provide us valuable insights into customer preferences and trends over the years, which further enables us to procure and retail the right product mix for a particular customer segment.

MEETING THE ASPIRATIONS OF EVERY INDIAN

IN-HOUSE BRANDS

Metro is a contemporary Indian fashion footwear and accessories brand offering a range of products with the latest designs and styles, for all occasions. In addition to footwear, it also has a wide range of handbags, belts, wallets and other accessories. Metro's footwear range is specially curated based on different regional preferences in India.

Mid and Premium Consumer Segment

231
Metro branded MBO Stores
Retail Presence

Mochi is a footwear and accessories brand targeting the youth while also catering to the entire family. This brand provides footwear to the youth for their day, work, evening and party needs as well as for special occasions including weddings.

Mid and Premium Consumer Segment

162
Mochi branded MBO Stores
Retail Presence

Walkway, which was previously 'MSL – More Shoes for Less', caters to the entire family. Walkway offers fast fashion footwear and accessories in the mass market segment. This everyday fashion brand provides affordable footwear for men, women and kids.

Value Conscious Consumer Segment

53
Walkway branded MBO Stores
Retail Presence

THIRD-PARTY BRANDS

Crocs is a globally recognised brand for its iconic clog silhouettes. It focuses on providing comfortable, casual, colourful, and innovative footwear styles for women, men and children. As per the non-exclusive retail agreement with Crocs, MBL has been granted a right to sell Crocs products in India at stores and kiosks, as approved by Crocs. Pursuant to the Crocs Agreement, we have also been granted a right of first refusal to the opening of a retail store/kiosk or outlet in India, as may be proposed by Crocs.

Premium Consumer Segment

178
Crocs™ branded Exclusive Brand Outlet (EBO) stores

Retail Presence

FitFlop offers shoes for all-day wearing, using a combination of biomechanics, comfort and fashion. MBL has entered into an exclusive strategic partnership with FitFlop for its entire distribution in India (EBOs, MBOs, distribution, online marketplaces and web store). Prior to the agreement, MBL was selling FitFlop at its MBOs for the past four years.

Premium Consumer Segment

Launched 1st FitFlop EBO store in April 2022

A GLIMPSE INTO OUR PROUD PAST

From a humble family-owned business in 1955 to one of the leading Indian footwear retailer in 2022, MBL has traversed a remarkable journey by staying relevant to customers and evolving the business in sync with changing times.

1955

Started first Metro Store

1977

Incorporation of the Company

2000

Launched Mochi MBO

2009

Launched Walkway MBO

2010

Launched presence on e-commerce format

Reached 100-store landmark

2012

Reached 200-store mark

2015

Entered into a tie-up with Crocs

2021

Entered into an exclusive tie-up with FitFlop

Reached 600-store landmark

Listed on the BSE and NSE

2022

Launched 1st FitFlop EBO

STEPPING UP BY LEVERAGING OUR STRENGTHS

We are determined to expand and grow our business. Our confidence in charting an exciting future stems from the strong foundation we have built over the years.

Leading pan-India footwear retailer with aspirational brands

We are one of the largest Indian footwear specialty retailers. Our retail presence is spread across metro cities and tier I, II and III cities. Embodying an aspirational quotient, our brands resonate with the evolving needs of customers who seek quality and stylish footwear products. Our strong market position and presence combined with our aspirational brand portfolio put us at a vantage point to grow our business.

Wide range of brands and products

We have a diverse brand portfolio straddling price points, enabling us to operate across the economy, mid and premium segments. Our stores offer footwear for men, women and children, making us a one-stop family retailer. Further, our wide suite of products enables us to cater to footwear needs for both casual and formal occasions. This ability to serve across age groups, occasions and segments increases customer loyalty and our addressable market.

Deep vendor engagements

We leverage our vendor relationships, together with our combined understanding of regional preferences and evolving customer trends to stay relevant to our growing customer base.

Supply chain based on Theory of Constraints (TOC)

To efficiently manage our extensive vendor network, supply chain, and inventory for our wide range of products, we follow a pull model for product availability at our stores where product placement is led by a demand-driven inventory replenishment method. Our TOC-based supply chain enables capital optimisation and lower levels of dead stock.

Asset-light business with an efficient operating model

We source all our footwear and other products from third-party vendors. Active management of each brand is contributing to brand success. Optimum store size and layout and long-term lease arrangements enable us to drive efficiencies. The store manager's compensation has a high variable component that is linked to store-level sales, thus protecting store-level margins. Additionally, our scale of operations and strong supplier network enable us to leverage better margins with our vendors and enter into arrangements with third-party brands on favourable terms.

Presence across multiple formats and channels

We operate stores of both MBO and EBO formats. Our broad retail distribution set-up is supported by our growing online presence. This includes our own brand websites and tie-ups with prominent market-places. We also market our products via various social media platforms. This presence across multiple formats and channels strengthens the reach and accessibility of our brands.

Platform of choice for third-party brands

We have rich experience in footwear retailing, wide retail reach, and a proven track record of incubating and scaling up various retail brands. Our extensive pan-India operations also give us insights into evolving customer preferences. These unique strengths have made us the platform of choice for other national and international third-party brands seeking to expand their presence in India.

Experienced promoters and management team

Our promoters have extensive experience in the footwear business and their strategic direction has enabled Metro Brands to establish itself as an organisation that stands for growth, ownership, and respect. We also have experienced management professionals at the helm, helping us to drive operational efficiency, ensure customer delight, identify new opportunities and execute the business strategies.

Strong financial track record

We have a strong track record of revenue growth and profitability. Our demand-driven lean inventory norms minimise stale stock and discounting of products, thus helping us to improve our gross margins. As a result, our realisation per unit is among the highest across footwear retailers in India. Further, our business has strong cash flow generation, enabling business expansion primarily through funds generated from our operations.

CHAIRMAN'S COMMUNIQUÉ

"At the outset, I warmly welcome the new shareholders to MBL and convey my sincere thanks to them for the trust they have reposed in the business."

DEAR SHAREHOLDERS,

I am delighted to present the first Annual Report of Metro Brands Limited (MBL) as a listed entity. At the outset, I warmly welcome the new shareholders to MBL and convey my sincere thanks to them for the trust they have reposed in the business. Your confidence has infused new energy within the Company – to further evolve and grow the operations while always staying relevant to customers. I look forward to sharing the future success of the Company with you.

From a humble beginning in 1955 when the first 'Metro' store was set up in Colaba, Mumbai to becoming a nationwide chain of exclusive fashion footwear and accessories stores for the entire family, MBL is a company rooted in deep heritage. For over six decades, MBL has proudly stood for quality, craftsmanship and customer service, making 'Metro Shoes' a household name in India. Today, this rich legacy inspires the team at MBL to continue putting the highest focus on meeting the growing aspirations of India's billion-strong population.

Let me share some more insights about your Company. MBL stands tall as one of India's leading retailers of fashion footwear. In addition to having strong home-grown brands in its portfolio, MBL also houses third-party brands to elevate the store experience and complete the customer journey. MBL is also one of the few footwear companies to externalise manufacturing for all its products by entering into tie-ups with vendors. It has an extensive retail presence across the country, the majority of which are company-owned and company-operated (COCO) stores. Your Company has also pivoted its presence to online channels in line with changing customer behaviour and to make its products more accessible.

Your Company's asset-light business model together with successful long-standing vendor relationships has enabled it to focus on core operations of product curation and brand retailing. Further, it has been able to better manage customer experience through the COCO model of retailing and by imparting adequate training to the front-end people. In fact, your Company firmly believes that retail is all about customer experience;

selling service is its prime objective and selling footwear is only a means to realise this objective. This efficient and customer-focussed operating model has resulted in consistent growth over the years, even during the tough years of the pandemic, and a debt-free balance sheet which further underpins your Company's ability to pursue organic and inorganic growth opportunities.

The past year has witnessed seminal changes for MBL. Prior to being listed in December 2021, the roles of Managing Director and Chief Executive Officer were separated. Ms. Farah Malik Bhanji stepped down as the Chief Executive Officer to devote more time to the sole role of Managing Director. In almost eight years under Ms. Bhanji's leadership, MBL expanded its store presence and transformed its operations for thriving in the era of modern retailing. Following her resignation, the Board appointed Mr. Nissan Joseph as the Chief Executive Officer in June 2021. Mr. Joseph brings more than 20 years of retail and brand management experience and is exceptionally well-qualified to develop and steer the Company's strategy. Further, the evolved and strengthened senior leadership structure ensures that we have the right management team for the next phase of our growth.

Being a professionally-run organisation has always been central to the way MBL has been managed. In 2007, the Company brought on Board a marquee investor to ensure utmost transparency and efficiency in its operations. The strong focus on professionalism is also evidenced in the decentralisation of authority for the management of Company stores. Considerable freedom is given to store managers and their feedback is factored in deciding the product portfolio for that particular store as your Company believes that they are best positioned to understand regional trends and customer expectations. This genuine empowerment of people at the front-end has inculcated a feeling of ownership and belonging, while also benefitting the Company through better sales and reduced levels of dead stock.

MBL continues its focus on practicing the highest levels of governance, professionalism and transparency in the larger interests of long-term value creation. In the first year as a listed entity, considerable efforts were made to meet market standards of disclosure and investor relations as well as the requirements of regulatory authorities and stock exchanges. Business activities with a focus on sustainable value creation, professional management and a policy of transparent communication will continue to embody MBL's corporate governance philosophy to ensure that stakeholder expectations are met.

The Indian economy is anticipated to be one of the fastest-growing economies in the world. The various reforms and initiatives taken by the Government have created a strong blueprint for realising the ambition of becoming a US$ 5-trillion economy in the next few years. While the pandemic may have temporarily interrupted this growth journey, the momentum is now back. With aspirational brands in its portfolio, robust network expansion, with emphasis on penetration into smaller towns and cities – from where the future of India's growth is going to come, a strong focus on enhancing its online business, and tie-ups with international retailers, your Company is determined to contribute towards India's exciting growth story.

In closing, I would like to thank all our employees for their dedication and hard work over the past year. Your Company is grateful to its customers for their loyalty and remains committed to delivering them the best experience. I would also like to thank the various stakeholders, whose continued support has helped the Company overcome various challenges. The pandemic has highlighted the importance of being able to adapt quickly to ever-changing market conditions. This, I believe, your Company and its management team have successfully demonstrated. I commend them for their able leadership. Finally, I once again thank our shareholders for their trust in our business. Exciting opportunities beckon your Company; by staying agile and customer-focussed, it is determined to capture these opportunities to create better value for all stakeholders.

With regards,

Rafique A. Malik

Chairman

QUESTION & ANSWER WITH THE MANAGING DIRECTOR

Ms. Farah Malik Bhanji, Managing Director, shares insights on the Company's performance and potential by addressing some key stakeholder questions.

Q How do you see the past year for Metro Brands in terms of financial and operational performance?

A FY 2021-22 demonstrated the strength of the brands we bring to the market and our operational rigor. Operating against the backdrop of a challenging environment, we delivered outstanding results in terms of revenue and our highest ever EBITDA and PAT – both in amount and in percentage. The performance also reflects the success of our cost optimisation efforts carried out during the COVID-19 downtime period, which often get overlooked when a business is in a growth phase.

Our third quarter performance was especially remarkable, as we clocked the highest revenue, EBITDA and PAT in the history of our Company. We carried that momentum into the fourth quarter, which was the best-ever fourth quarter for MBL, both from the top line as well as from a bottom line perspective. What makes our fourth quarter performance even more commendable is that it was achieved despite some closures in January related to the third wave of COVID-19. This demonstrates that our business is now on a solid footing and future prospects are bright.

Our strong performance also stands on the robust fundamentals we have built over six decades of operations. During this time, we have firmly positioned ourselves as a leading retailer catering to every footwear need of every member of the family, across economic and geographic segments. We continued to fortify our industry position through several operational achievements. The most significant was our strategic partnership with global brand FitFlop for expanding their business in India. We also achieved excellent results for our online business, demonstrating that we are nimble and agile to changing customer preferences. In an environment of continued supply chain disruptions, our teams have ensured product availability across channels, which is another noteworthy highlight.

Q The past year saw two significant developments – the appointment of Mr. Nissan Joseph as the CEO and MBL becoming a listed entity. What are the changes that have followed post this transition?

A The transition from a privately-held business to a listed entity is definitely a momentous occasion for MBL. Our successful listing at the bourses in an unprecedented year demonstrates our commitment to deliver great value for our investors. While our culture and values remain the same, being publicly listed has made us more accountable, process-oriented and performance-driven. We have also strengthened our management mechanisms and are developing strategies that broaden the business landscape.

Prior to our listing, I stepped down from my earlier post of CEO to allow me to redouble my focus as a Managing Director. In June 2021, the Board appointed Mr. Nissan Joseph as the Chief Executive Officer. Mr. Joseph has an excellent understanding of the retail sector and MBL will benefit from his rich experience and leadership. We have been able to achieve a seamless transition of leadership. In the past year, MBL has also created a stronger, more effective organisational structure. This new professional team has brought more energy, fresh perspective and deeper expertise to take our business to newer heights.

Q What are your store expansion plans?

A In FY 2022-23, with pandemic impact abating, we are looking at aggressively growing our presence. During the current fiscal, our aim is to open 80-85 stores across our four established formats of Metro, Mochi, Walkway and Crocs. For our new format of FitFlop, we plan to launch five stores during the year. Further, by FY 2024-25, we are looking at adding 260 stores, an increase of 40% from our current base of 624 stores. We will be utilising our IPO proceeds for opening these 260 stores.

Our store expansion plan is also aimed at taking our brands to newer regions. We are currently based in around 140-odd cities across metro and tier I, II and III locations. Along with growing our presence in bigger cities, we are actively looking at expanding our horizons to small-town India. We will open new retail locations in a careful manner through prudent and pragmatic site selection to drive higher footfall, positive sales and higher profitability.

Q With online becoming the new reality for retail, how is the Company poised to capture these opportunities?

A We remain focussed on serving our customers, no matter where they choose to shop. While physical retailing has been our expertise, we are also strengthening our digital channels to offer a seamless shopping experience. In fact, we believe that our physical stores give us an edge because it allows our customers to move freely between the various channels and choose whether they want to shop and experience the product in-store or online.

We have also integrated our physical stores with digital platforms for faster dispatch, better product availability and a convenient shopping experience. During the year, we witnessed strong growth momentum in our e-commerce sales, which grew by 92% on a year-on-year basis. What is interesting is that around one-third of our e-commerce sales are omni-channel sales – sales that are serviced from our offline stores. Our omni-channel sales are mostly full-price sales and thus help us to protect our margins. With expansion in our store presence and more stores linked to our e-commerce platforms, we expect our omni-channel sales to increase its contribution to online sales.

Even as customers return to our physical stores with normalisation of life, the emphasis on our online strategy continues. We are creating digital content that engages our audiences as well as strengthening our backend processes and technology for faster delivery and frictionless experiences.

Q What is your take on the India growth story and its impact on your business?

A The Indian growth story is gaining momentum. The Government has set a goal of achieving the US$ 5 trillion mark by 2025 and a US$ 10 trillion economy by 2030. Strong fundamentals are shaping India's rise as a global superpower of the 21st century. India enjoys a demographic dividend. Its working age population is larger than its non-working age population and this dividend will propel growth for the economy. The rise in per capita income is also fuelling the growth of the consumption market base and the shift towards branded and better products.

The Indian footwear consumption in value terms is expected to grow at a CAGR of 15%-17% between fiscal 2022 and fiscal 2025. Growth is estimated to be driven by value, with the average selling price of footwear expected to increase by a CAGR of around 5%-7% over the same period. The growing preference for more premium footwear will drive this shift. This augurs well for organised players, with their market share expected to increase by a CAGR of 20%-22% over the same period. The market share of online footwear sales are also expected to grow at a CAGR of 26%-30% between fiscal 2020 and fiscal 2025.

Our brands are very much relevant to this market and we expect tremendous opportunities going forward. We have a proven business model to thrive and are confident about executing against the strategy we have set for ourselves. The Indian growth story is also about creating a strong manufacturing sector. Underpinned by our continued focus on sourcing from local vendors and supporting the production of quality products, we are committed to the vision of 'Make in India'.

LETTER FROM THE CHIEF EXECUTIVE OFFICER

"Over the next three years, we aim to add 260 net new stores, an expansion of around 40% from our current base of 624 stores."

DEAR SHAREHOLDERS,

In my first letter to you as the Chief Executive Officer, I take great pride in reporting on the progress that MBL has made during FY 2021-22. Before we delve into the details of this performance, I would also to thank the Board for the smooth transition of leadership, which helped me to strategically and operationally move forward with ease.

Financial review

Despite the year continuing to be characterised by COVID-19 challenges and supply chain disruptions, we were able to deliver outstanding results for the full year. Our revenue for FY 2021-22 stood at ₹ 1,343 crores, up by 68% versus the previous year. Our growth was broad-based, being achieved across all formats, regions and channels. This performance is a testament to our strong fundamentals and the value of the clear strategy being pursued across different facets of our business.

Even in an inflationary environment, our gross margins grew by 3% to 57.9% in the previous year, the highest ever in our corporate history. This was primarily due to the lower contribution of discounted sales and improvement in the overall sales mix. To provide a better perspective, our in-house sales contribution increased to 73% versus an average of 70% over the past few years. We also benefitted from front-loading of inventory, which helped us counter both inflation and supply chain disruptions. Further, led by higher sales and overall efficiency in expense management, we also delivered the highest ever EBITDA and PAT margins of 30.6% and 15.9% respectively.

Operational review

One of our key strategies for scaling growth is driving the expansion of our store network. We opened 38 net new stores (gross additions minus closures) during the year. With pandemic impact waning and customer sentiments improving, we are now looking at aggressive store expansion. Over the next three years, we aim to add 260 net new stores, an expansion of around 40% from our current base of 624 stores. Further, we are strategically deepening our presence in our existing markets as well as entering smaller towns and cities in India – the promising yet untapped markets for retail.

During the year, we took the strategic decision to close down our Walkway shop-in-shop operations. The business impact of this closure has been minimal as the segment contributed only 0.35% to our sales. We will, instead, now focus on expanding Walkway format via stores under company-owned and company-operated (COCO) and franchise route. In our other store formats, we have successfully grown the business through the COCO model; we are confident that the same strategy holds considerable potential for Walkway as well.

While we strengthen our offline presence, we are also cognizant of the importance of growing our presence on online channels to meet new expectations of our customers. During the year, our online channels (including omni-channel sales) delivered robust sales, growing by 92% on a year-on-year basis. The growth was driven by higher pricing, less discounting and greater volume. We continue to focus on becoming a more digitally relevant brand for multiple reasons. First, our online business is helping us grow our overall sales and is not cannibalistic of our brick-and-mortar retail. Second, the omni-channel segment (orders serviced from offline stores) is a full-price business and is a growing contributor to our online sales. This helps us to protect our margins and get our inventory liquidated throughout the country. Third, and most importantly, our omni-channel strategy enables us to deliver a seamless shopping experience across channels.

To ensure the sustained profitable growth of our online channels, we remain cautious in managing our brands and our average selling price. Our growing offline presence across the country will also enable us to drive faster dispatch to customers and higher listing with our marketplace partners. We are also making the necessary investments in digital marketing, curating content that connects with our young audiences and being present on social media channels that our young audiences frequent.

In another significant milestone, we entered into a strategic partnership with FitFlop, a global footwear brand that combines style with world-class science. We have secured exclusive rights for the sale of FitFlop in Indian markets, across formats including exclusive brand stores, multi brand stores, airport stores, distribution, online marketplaces and webstore. Leveraging our wide network, market penetration and strong store economics, we are confident of driving the FitFlop business in India. In April 2022, we opened the first FitFlop store. We plan to open five EBO stores for FitFlop in the current fiscal.

The road ahead

Bold, changing, and aspirational India presents attractive growth opportunities. A fast-expanding middle class, growing discretionary incomes, changes in lifestyle, the emergence of new cities, and increased internet penetration make India's retail story one of the world's most compelling. The clear strategy that we are pursuing – investing in store expansion, leveraging our multi-channel platform to grow third-party brands, driving e-commerce expansion, and expanding the portfolio of our allied businesses of foot care and accessories – will enable us to respond and capitalise on these promising opportunities. We are also exploring inorganic opportunities that meet our stated criteria of growth and diversification.

Heading into FY 2022-23, we see strong momentum in our business. While the ongoing geo-political crisis does present near-term headwinds of inflationary pressure, input cost volatility and supply chain disruption, we are addressing these challenges head-on. We are closely monitoring the input costs for our sourcing ecosystem and staying alert for a protracted cost-increased environment. We are also working very closely with our vendor partners to see how we can mitigate some of those cost increases. Maintaining slightly higher levels of inventory will continue for some more months, especially with the festive quarter coming up, to avoid any loss of sales. In parallel, we continue to exercise operational rigor in managing our inventory across the country. Finally, if necessary, judicious pricing adjustments, which do not erode demand, will be taken to mitigate the impact of input cost inflation.

Notwithstanding this temporary impact, we remain optimistic about our medium and long-term prospects given our strong multi-brand portfolio, growing physical and online presence, asset-light business model and steadfast focus on effective cost management. The 2020s belong to India, with India expected to continue being among the fastest-growing major economies globally. With the Indian economy being driven by consumption, we are perfectly positioned to contribute to this exciting growth story. Through disciplined execution of our strategic priorities, we are committed to driving sustainable profitable growth and value for all our stakeholders.

In closing

I would like to take this opportunity to thank the Metro Brands team for an absolutely stellar year. Thank you also to our valued customers for placing your trust in us and our products. And my thanks to you, our shareholders, for investing in us. I look forward to our continued success in achieving our goals and delivering strong performance.

With regards,

Nissan Joseph

Chief Executive Officer

STEPPING UP TO MEET ASPIRATIONS IN EVERY PART OF INDIA

The aspirations of customers in tier II and tier III cities are rising to match customer aspirations in metro and tier I cities. To cater to every aspiration, we are stepping up our presence in these emerging cities, while deepening our penetration in existing markets.

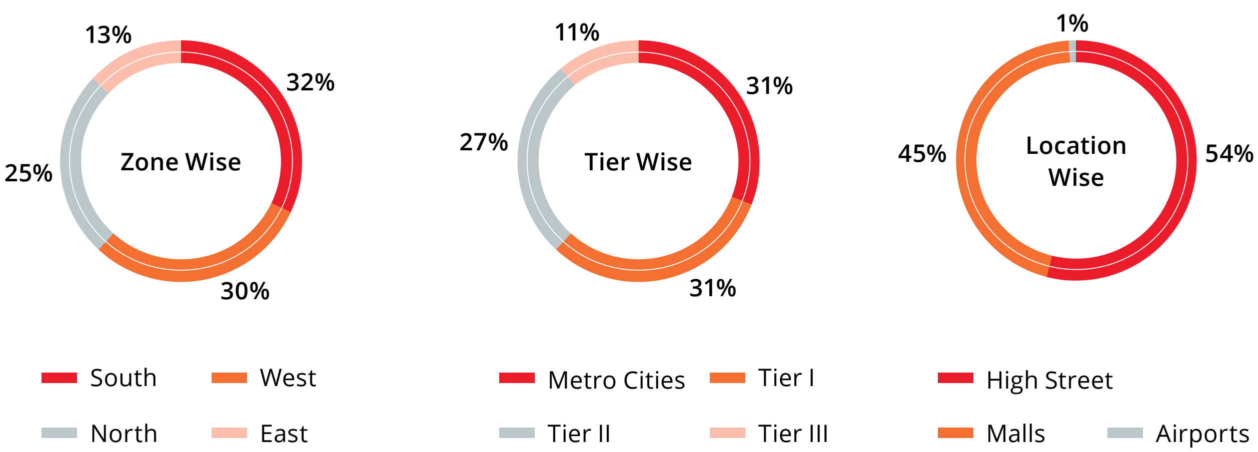
Rising purchase power driven by higher economic growth has blurred the lines between the aspirations of small town customers and people living in larger cities. While customers in these small cities aspire for quality products, the presence of brand stores in these markets is relatively lower. Our store expansion strategy is focussed on meeting these unfulfilled aspirations.

We have a strong pan-India presence with our operations well-spread across metro cities, tier I, II and III cities and towns, and across all four zones of India. Our success in setting up a strong national presence, penetrating into lower-tier cities, and diversifying across segments, customers and categories provide exciting prospects for taking our brand experience to more parts of the country.

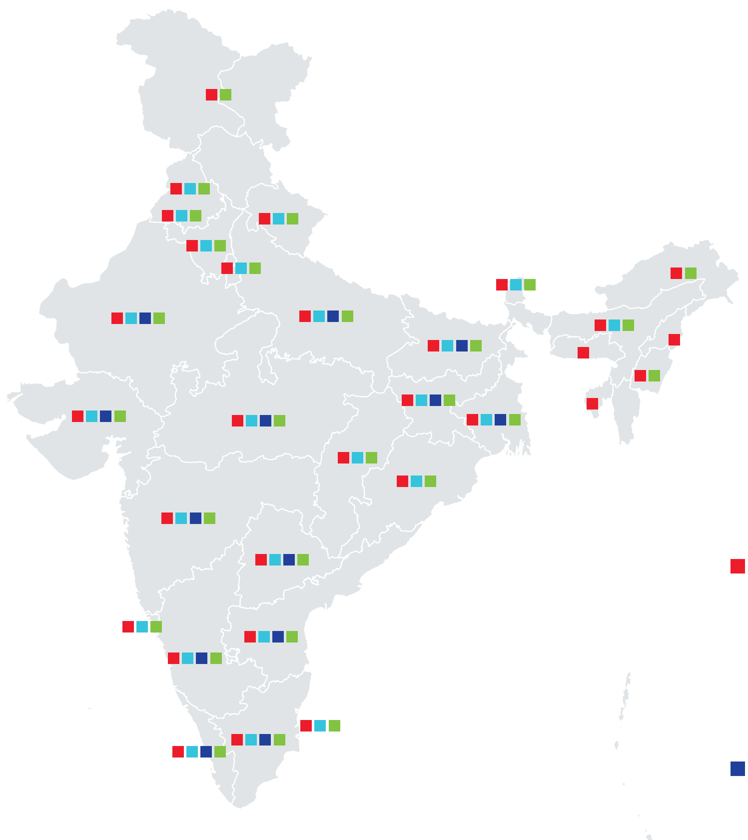
Over the next three years, we aim to rapidly strengthen our retail presence of 624 stores (as of March 2022) by adding 260 stores, an expansion of 40% from our current base. These stores will be opened fairly equally across our four formats of Metro, Mochi, Walkway and Crocs. Additionally, we aim to launch 5 stores for FitFlop in FY 2022-23. While Crocs and FitFlop are retailed through Exclusive Brand Outlets (EBOs), the other brand formats are set up as Multi Brand Outlets (MBOs).

We are currently present in around 140 odd cities. Apart from these cities, we have mapped other 150 cities where we want our stores across all formats to open. Hence, we see store opening potential not only via tapping new cities but also through backfilling and further penetrating existing cities.

PAN INDIA PRESENCE WITH 624 STORES | 142 CITIES | 30 STATES AND UNION TERRITORIES (AS OF MARCH 2022)



OUR PRESENCE



Store Count as of March 2022

231
Number of Metro stores

162
Number of Mochi stores

53
Number of Walkway stores

178
Number of Crocs stores

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

In retail, customer experience goes beyond products to encompass customer service, product packaging and brand communications, among others. We primarily follow the "company owned and company operated" ("COCO") model of retailing to better manage customer experience at our stores. The COCO retail model has worked very well for us, particularly evidenced in the strong return of customers to our stores post COVID-19 despite all our products being available online. The COCO model of expansion will be emphasised to provide customers with a first-hand experience of our retail chain. The franchise route of expansion will only be for select Walkway stores. For these stores, our strategy will be to ensure that the store manager comes from our ecosystem so that our best practices are successfully replicated.

To drive the success of our store expansion strategy, we have revamped and expanded our business development and administrative teams. Our business development team is actively engaged in identifying suitable sites that have high foot traffic and visibility, such as high streets, malls and airports. Manager training programs have been revamped to nurture in-house capabilities for heading our new stores.

STEPPING UP TO SUPPORT INDIA'S GROWTH AMBITION

India has articulated its ambition of becoming a US$ 5 trillion economy by 2025 and a US$ 10 trillion economy by 2030. Determined to be part of this growth story, we are also stepping up our growth initiatives.

Pivoting from offline to an omni-channel retailer

While we have traditionally reached out to customers through our physical stores, we have now accelerated the shift to a 'brick and click' presence. Omni-channel engagement is the way forward for all our brands in sync with changing shopping behaviour, enabling customers to shop when they want, where they want.

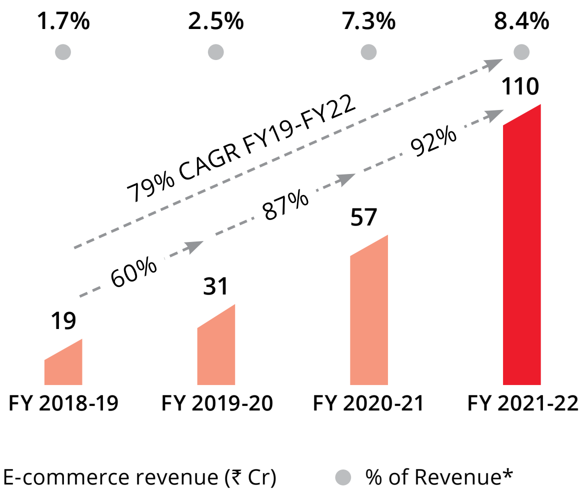
Under our omni-channel approach, the focus is on providing a single view of our inventory across multiple touchpoints. This means providing store managers with access to pan-India inventory for servicing offline customers and providing online customers with access to products across our entire network. Simply put, it means giving our customers the complete and best selection, at all touchpoints. We are also driving omni-channel customer engagement by communicating consistently across multiple channels like phone, stores, email, WhatsApp, and social media.

Offering an omni-channel experience

We operate websites for our various brands and have an extensive presence on leading e-commerce platforms. To support e-commerce operations, we have also invested in an e-commerce-specific warehouse management system that integrates the store network with the online platform. The integrated system streamlines order management, product picking, packaging and shipment, to offer a seamless omni-channel experience to customers.

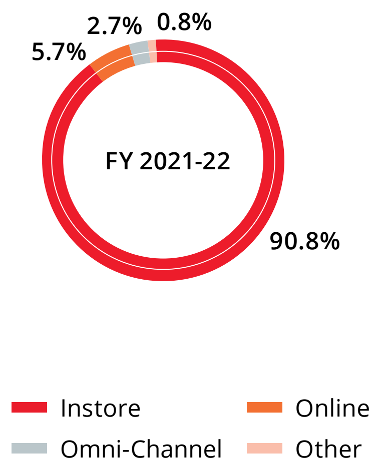
We intend to leverage existing capabilities to increase e-commerce operations. We are also integrating the omni-channel model as well as applying new technologies to further expand and improve operations. Our growing capabilities will enable us to handle individual customer deliveries and enhance the customer buying experience with faster dispatches. Currently, around one-third of our total e-commerce sales is omni-channel sales i.e. orders serviced from offline stores. Most importantly, our omni-channel sale is largely full priced without discount, thereby protecting our margins. Enthused by the potential of e-commerce channels, we aim to list most stores with marketplace partners to increase omni-channel sales.

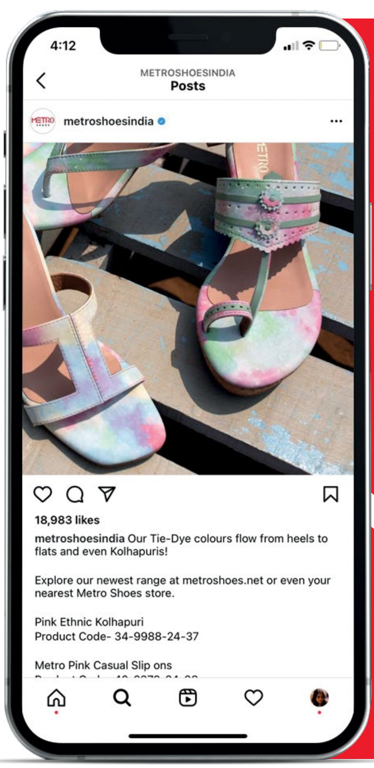
E-COMMERCE REVENUE: ONLINE AND OMNI-CHANNEL



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

REVENUE BREAKUP (INSTORE AND E-COMMERCE)





Metro Brands has the highest number of Instagram Followers* among key footwear retailers in India.

(Source: CRISIL Research)

**The followers are for Metro, Mochi and Walkway brand pages combined*

A dedicated team is in place for handling our e-commerce operations. We continue to invest in growing this team for supporting our pivot to omni-channel presence. Investments are also being made in digital marketing, including curating engaging content, to strengthen the brand connect with the younger audience. Finally, we are deploying analytic technologies to better understand customer preferences and evolving trends. This enables us to tailor our products and services better, communicate with greater relevance, create personalised customer journeys and become a more digitally relevant brand.

STEPPING UP TO SUPPORT INDIA'S GROWTH AMBITION

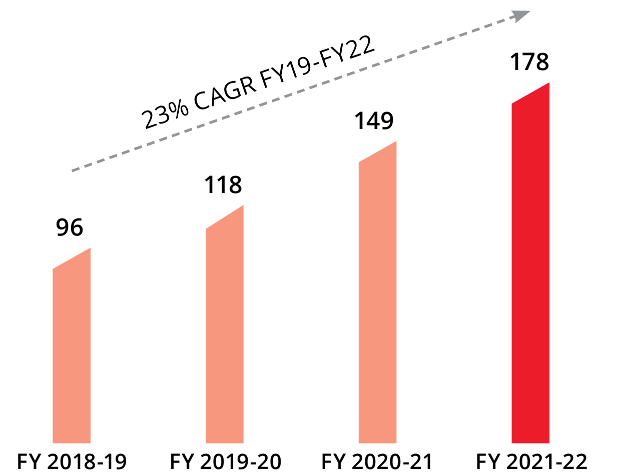
Partnering with third-party brands

At MBL, we have successfully partnered with several third-party footwear brands looking to expand in India. Third-party brands benefit from our six-plus decades of experience and insights in managing customer requirements and expectations. Moreover, our India-wide presence through online and offline formats ensures strong customer reach and is also a validation of our ability to service customers of different ethnicities and markets. Healthy store economics achieved through optimising our operational costs and healthy financial position further make us an attractive retailer to partner with brands that require reach and visibility.

In addition to having several third-party brands in our portfolio, we also operate format stores for third-party brands. In 2015, we entered into a non-exclusive retail license agreement with Crocs, a global brand offering innovative casual footwear for women, men and children. Since then we have successfully scaled up Crocs branded EBOs throughout the country.

Successful brand partnership with Crocs

NUMBER OF CROCS EBOs



We remain focussed on leveraging our credentials for entering into partnerships with third-party brands. During the year, we inked a strategic partnership with FitFlop, a footwear brand that combines style with world-class science, for sale and distribution in India. Under this agreement, we have exclusive rights for the sale and distribution of FitFlop across all formats including Exclusive Brand Stores, Multi Brand Stores, Airport Stores, Distribution, Online Marketplaces and Webstore.

FitFlop makes ergonomic sandals, shoes and boots, using world-class design, a splash of fashion, and an innovating mix of beauty, brains and biomechanics. FitFlop footwear is currently being marketed and sold in over 60 countries globally. By leveraging our strong distribution and online capabilities, we seek to reach out and serve the Indian homes that value ultimate comfort with global fashion and thus grow the FitFlop business in India. We launched 1st FitFlop EBO store in Chennai in April 2022. The customer experience and sales traction has been positive and our aim is to open 5 FitFlop stores in FY 2022-23.

To step up our growth, we continue to evaluate similar opportunities as part of active brand portfolio management. Further, we intend to continue expansion through an active evaluation of inorganic opportunities, partnerships and tie-ups.

STEPPING UP TO SUPPORT STAKEHOLDER GROWTH

As India marches ahead, the goal is to make the 2020s a decade for all Indians with economic growth that is distributed fairly equally across all societies and creates opportunities for all. We are stepping up to support this vision of inclusive growth.

At MBL, our purpose is to get everyone on their feet. This purpose goes beyond our customers to also include our employees, vendor partners, and our communities.

Promoting Indian craftsmen

We are a 'Made in India' brand with more than 85%-90% of products for our in-house brands being sourced from all over India. Our vendors are mainly craftsmen who provide exclusivity of the designs supplied and are able to supply goods in required quantities within the prescribed period. Over the past three years, we have closely worked with around 250 vendors.

Our in-house merchandising and design team engages in product and market research and collaborates with vendors to introduce footwear and other accessories that are customer relevant. While merchandising and designing products, inputs are also taken from the heads of retail, category managers, regional/area and store managers for curating products that meet the particular needs of the target market. By offering quality products that are 'Made in India' and 'Made for India', we are committed to evoking pride for Indian brands.

We remain focussed on further strengthening local procurement. While providing Indian craftsmen more opportunities to grow, local sourcing also makes our business more resilient. We also continue to nurture and grow our relationship with vendors, which in several cases go beyond two decades. In fact, our deep vendor engagements are a key business enabler.

Empowering our employees and communities

As India steps up on growth, the nation's workforce must contribute to this bigger tomorrow. At MBL, we are determined to encourage employability and empowerment to support India's rise. We have always provided opportunities for our employees to grow and thrive within the organisation. Most of our store managers are internally promoted.

We also drive employee empowerment by following an entrepreneurial model of operations at the store level. Our store managers have considerable say in the product assortment that is to be kept in the store. The firm belief that store managers have a greater understanding of micro-markets has led to this decentralisation of decision-making.

Entrepreneurial culture is also promoted by adopting a variable compensation model for our store managers. The variable component of store-level employee remuneration is pegged to store-level sales, which incentivises a customer-driven culture, strong sales focus and employee ownership.

Our entrepreneurial model together with our pull versus a push model for product availability at stores has been very successful, evidenced by inventory liquidation happening only twice a year and minimal cases of stock out. Additionally, our variable compensation model has ensured very low attrition at the store manager level, ensuring resource availability for supporting our growing operations. ESOPs (Employee Stock Ownership Plans) along with a range of incentives and employee engagement programs also contribute to attracting and retaining top talent.

By imparting adequate training to people from underprivileged backgrounds, absorbing them into our workforce, and providing them a clear career path, we embrace the responsibility of providing India's workforce an opportunity to lead a dignified life and shine. Many of our employees began their association with the Company as stock boys and steadily climbed the ladder to become salesmen followed by assistant managers and then store managers.

My rise from a stock boy to a regional manager shows that hard work and sincerity do not go unrewarded at MBL.

Name: Khalid Abdul Majid

Current Position: Regional Manager - Maharashtra and Goa

Years of Association with MBL: 42

Beginning my journey as a stock boy at a MBL store in 1980, I steadily climbed up the ladder – from assistant manager to store manager to regional manager – to carve a fulfilling professional career. It was a journey that also took me to new cities. While I initially joined a MBL store in Mumbai, I was soon given the responsibility to manage operations at a bigger store in Kolkata.

In 1991, my career reached an inflection point as I was again relocated to Mumbai and was given the huge responsibility of heading the prestigious Colaba store. I successfully scaled up the store revenues over the next decade and this contribution did not go unnoticed or unrewarded. In 2011, I was promoted to the post of Regional Manager for Maharashtra and Goa operations. As the store manager of Colaba store, I also had the privilege to serve distinguished film personalities, politicians, sportsmen and industrialists.

Rewarding and fulfilling careers can have their roots in entry-level jobs; my journey at MBL exemplifies this best. In my association of over four decades, I strongly believe that the support and encouragement from the senior management team and giving due recognition to merit have empowered my growth. I consider myself very lucky to have worked for MBL. It is the place that built my career and supported my aspirations of having a home and a happy family life. I want to continue working with MBL, moving ahead with new responsibilities.

I credit my professional success to the confidence shown by the Company in its people. The learning opportunities helped me grow from the position of a salesman to where I proudly stand today.

Name: Asif Arif Memon

Current Position: Area Manager

Years of Association with MBL: 21

Joining as a salesman in 2001 at a MBL store in Dadar, Mumbai, I climbed the ranks to become the assistant manager of a store at Bandra, Mumbai post-2005. After another four years of good performance, I was given the opportunity to become the store manager of Grant Road store, Mumbai. My professional growth continued as subsequently I was appointed as the Area Manager and entrusted the responsibility of overlooking 20 MBL stores in Mumbai.

At every stage of my professional journey, MBL provided me with a platform to learn and enhance my overall skills. I was also given the chance to work at almost all major Mumbai stores. This exposure and capability-building have played a pivotal role in helping me reach my current position in the organisation. In particular, heading the busy and high revenue-generating Phoenix store gave me the confidence to explore bigger avenues of handling the Mumbai region.

None of these achievements would have been possible without the support extended by the Company. I had never imagined in 2001 that I would be able to climb the ladder of success and still keep growing and aspiring for bigger challenges. After spending 22 rewarding years at MBL, I harbor the dream to spend another 22 years at MBL and serve this brand.

If you're willing to learn, put in your best efforts and keep a long-term vision, no dream is beyond reach at MBL. I have grown as a person and the leader in me has emerged."

Name: Rahim P Makani

Current Position: Store Manager

Years of Association with MBL: 33

I joined the Malad store as a helper in 1989 and am absolutely thrilled with the way my career has mapped up since then. My hard work and commitment were recognised by the Company, enabling me to grow and thrive. From a helper to becoming a salesman and then getting promoted to the position of assistant manager, followed by a store manager in 2012, my story is truly what dreams are made of.

Being able to prove your worth through work is the biggest plus of this great organisation. From learning the finer nuances of being a salesman to taking on the huge responsibility of managing big stores with high turnover and considerable stock at any given point in time, my experiences have enriched me and groomed me as a leader.

The journey with MBL has been very rewarding. It has been made possible due to the faith shown by the Company in my abilities and the constant support it has extended. Having come so far, the connection with MBL is very strong and I wish to serve this brand as long as possible.

We have been working with MBL for 25 years. Their constant support has helped our business and partnership to grow. Today, our bond is as strong as a family and we continue to collaborate to solve challenges and make available better quality products. The senior management team has always taken a personal interest in the growth of stakeholders. We are confident that MBL is set to scale new heights and being an integral part of MBL's ecosystem, our business will grow as well.

Vendor: M/s Zara Footwear Pvt. Ltd

Years of Association with MBL: 25

We have been associated with MBL since 1997. I am proud to say that working with MBL has been a delightful experience as the Company has always been very supportive of its vendor partners. Through collaboration and co-operation, we have successfully overcome business challenges and grown together. Today, we are closely knit like a family. In the coming years, I am confident that our successful relationship will drive stronger mutual growth.

Vendor: M/s Shoe Game Pvt Ltd.

Years of Association with MBL: 25

STEPPING UP FOR BUSINESS SUSTAINABILITY

With India committing itself to ambitious climate action targets, we are rising to the call by stepping up our environmental sustainability initiatives. We are also driving social activities that enable people from all sections of India to step out with pride and hope.

Sustainable footwear

Sustainability never goes out of style. In footwear fashion, as well, customers are steadily seeking environmentally friendly product options. Aligned with these requirements and also to make our portfolio more sustainable, we have intensified our focus on launching footwear that uses recycled or sustainable raw materials.

During the year, we introduced a line of footwear using merino wool, a natural fibre improving breathability of the shoe, thus making it suitable for summers and winters. Also, the shoe is largely vegan in its manufacturing process. The material for the upper portion of the shoe is also biodegradable.

We have introduced footwear by using materials created out of a yarn that is manufactured by upcycling the plastic from discarded PET bottles. For our Nature Pro Collection, 11 PET bottles are recycled to get one pair of shoes.

Recycling footwear

We are running a project to co-process old, discarded footwear in an eco-friendly manner. Along with this activity, and footwear donations through agencies such as Greensoles Foundation, empowHER India and Rotary Club of Mumbai West, your Company was able to donate/recycle/co-process more than 1.89 lakh footwear pairs.

It is our long term goal to "recycle a pair for every pair we sell".

Sustainable packaging

We have shifted towards more sustainable, environmentally friendly packaging options. Our packaging boxes use filler paper made of recycled and bio-degradable paper pulp. Also, no additive of fresh wood or metal like zinc and lead is used in our packaging boxes.

Renewable energy

We have installed solar rooftops at both our warehouses with a combined capacity of 240 KW. The solar rooftops generated 221 MWh of power during FY 2021-22.

Education and learning

We actively promote the cause of education in the country. We also support the holistic development of children by encouraging the pursuit of extra-curricular activities.

- Under Project Nanhi Kali, we contributed towards providing access to quality education to 500 underprivileged girls from Bharuch, Gujarat and helping them complete schooling with dignity.
- Through Fidai Girls Educational Institute, Mumbai, we supported 80 children from underprivileged families of Maharashtra and Gujarat, by providing them an environment to excel in their academic life.
- Through Enabling Leadership Organisation, we sponsored 230 underserved adolescents to develop leadership skills in them through football, with a focus on breaking gender stereotypes, gender mainstreaming and equipping these children with life skills to be problem solvers and role models.
- Co-funded Mission Vriddhi, a project designed by Mantra4Change to transform learning, teaching and leading school improvement in Bihar.

Skilling and training

As part of our focus on providing training opportunities to prepare the youth for gainful employment and growth in their chosen fields, the following activities were undertaken:

- Through UnLtd India, we supported 32 social entrepreneurs to grow in their leadership skills through incubation support, immersive residential workshops, capacity building and increasing the network of their supporters.
- Supporting around 300 trainees (unemployed youth) by providing them practical exposure through on-the-job training at our Company.

Health and wellbeing

As part of our focus on community health and wellbeing, the following activities were undertaken during the year:

- Contributed towards building a Head and Neck Cancer Hospital in Mumbai through Cancare Trust.
- Supported the treatment costs of economically weaker section people through Prince Aly Khan Hospital, Mumbai.
- Through Sociallab Ventures Pvt Ltd (TSL), 150 shoe shiners working at Mumbai Railway Station were made more aware of the aspects of livelihood, healthcare and financial literacy.

FINANCIAL HIGHLIGHTS

10-YEAR FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22
No. of Showrooms	239	281	290	317	362	419	504	551	586	624
Revenue from Operations	586.05	668.03	732.32	803.09	954.64	1,085.30	1,217.07	1,285.16	800.06	1,342.93
Increase Over Previous Years	20.75%	13.99%	9.62%	9.66%	18.87%	13.69%	12.14%	5.60%	(37.75%)	67.85%
EBITDA (Earnings before Interest, Tax and Depreciation)	99.62	120.48	130.98	142.31	154.66	226.41	337.33	353.51	172.08	410.41
Profit Before Tax	89.57	113.00	124.74	133.19	148.41	214.90	228.13	218.42	84.51	283.14
Profit After Tax (PAT)	60.80	74.95	82.19	87.41	97.69	142.28	152.73	160.57	64.62	214.20
Dividend Payout (%)#	28.12%	25.28%	25.79%	25.35%	24.50%	20.56%	25.15%	24.80%	61.64%	28.52%
Equity Share Capital	14.71	14.72	14.72	14.73	14.73	14.73	132.77 *	132.77	132.77	135.75
Net Worth	222.98	279.09	339.26	404.68	479.25	591.78	669.38	830.76	847.43	1,287.14

KEY INDICATORS

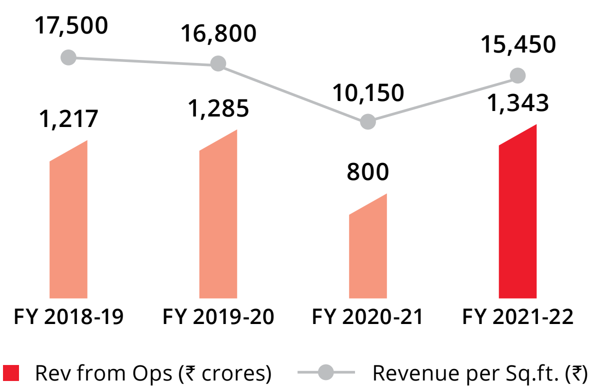
Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22
Gross Margins (%)	49.28%	50.77%	51.00%	51.41%	49.33%	55.19%	54.91%	55.60%	54.94%	57.86%
EBITDA Margins (%)	17.00%	18.04%	17.89%	17.72%	16.20%	20.86%	27.72%	27.51%	21.51%	30.56%
PAT Margins (%)	10.37%	11.22%	11.22%	10.88%	10.23%	13.11%	12.55%	12.49%	8.08%	15.95%
Return on Capital Employed (%) (ROCE)	39.61%	40.03%	36.76%	32.77%	30.61%	35.96%	25.89%	20.07%	9.63%	17.75%
Return on Equity (%) (ROE)	27.27%	26.85%	24.23%	21.60%	20.38%	24.04%	22.82%	19.33%	7.63%	16.64%

** Bonus issue in the Ratio 8:1 in FY 2018-19.*

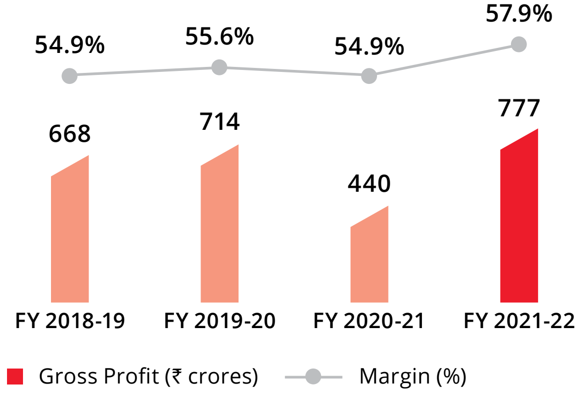
^Restated Consolidated Financial Information are prepared by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued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

 # Computed basis dividend declared for particular financial year.

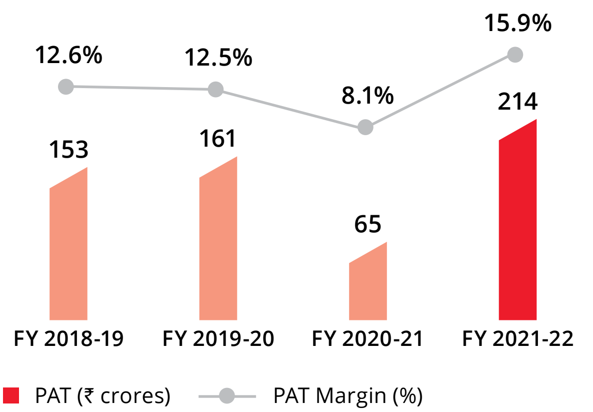
REVENUE FROM OPERATIONS



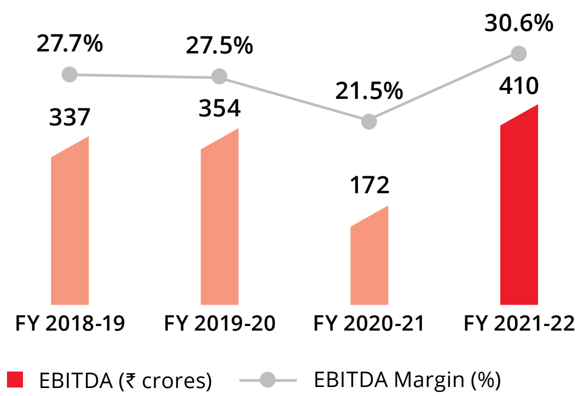
GROSS PROFIT AND GROSS MARGINS



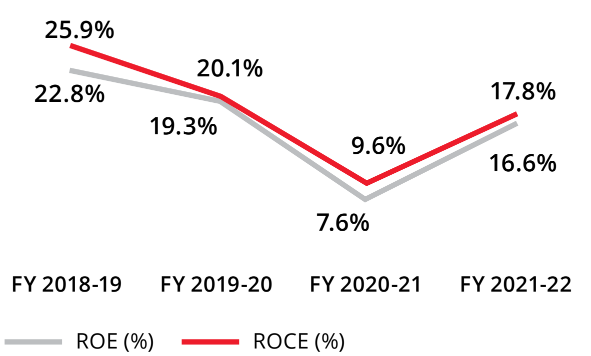
PAT AND PAT MARGINS



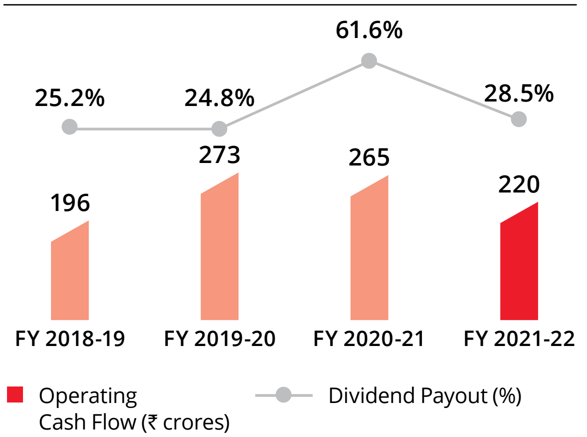
EBITDA AND EBITDA MARGINS



RETURN RATIOS (ROE AND ROCE)



OPERATING CASH FLOW AND DIVIDEND PAYOUT



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

BOARD OF DIRECTORS

Mr. Rafique A. Malik
Chairman

Holds a Bachelor's Degree in Commerce and has attended the Owner/President Management Program at the Harvard Graduate School of Business.

Over 50 years of experience in the field of footwear retail and has been associated with the Company since January 1977.

Ms. Farah Malik Bhanji
Managing Director

Holds Bachelor's Degrees in Arts and BBA from University of Texas at Austin and attended the Owner/ President program at the Harvard Graduate School of Business.

Over 20 years of experience in the field of footwear retail and has been associated with the Company since December 2000.

Ms. Aruna Bhagwan Advani
Independent Director

Holds Bachelor's Degree in Science from University of Sussex, UK.

Previously served as Executive Chairman of Ador Welding Ltd.

Mr. Arvind Kumar Singhal
Independent Director

Holds Bachelor of Engineering Degree from IIT-Roorkee and an MBA from University of California, USA.

Presently serving as the Chairman of Technopak Advisors Pvt. Ltd.

Mr. Manoj Kumar Maheshwari
Independent Director

Holds Bachelor's Degree in Science.

Presently serving as the Chairman and Director of Maheshwari Investors Pvt. Ltd. and on the Boards of Mahindra CIE Automotive Ltd, R J Investment Private Ltd. and RPG Life Sciences Ltd.

Mr. Srikanth Velamakanni
Independent Director

Holds Bachelor's Degree in Electrical Engineering from IIT Delhi and PGDM from IIM Ahmedabad.

Co-Founder, Group CEO and Executive Vice Chairman at Fractal Analytics Pvt. Ltd.

Cost Accountant and Chartered Financial Analyst from ICFAI, Hyderabad and holds Bachelor's Degree in Commerce.

Currently serving as the CEO of Rare Enterprises.

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

Fellow Member of ICAI and is a CFA Charter Holder.

Currently serves on the Boards of Carnelian Asset Advisors Pvt Ltd, BSAS Infotech Ltd, Tibbs Foods Pvt. Ltd. and Course5 Intelligence Limited.

Mr. Vikas Vijaykumar Khemani
Independent Director

Holds Bachelor's Degree in Commerce, Financial Accounting and Auditing.

Previously associated with M/s Workforce Media Network and Schefata Pharmaceutical & Development Laboratories.

Mr. Mohammed Iqbal Hasanally Dossani
Whole Time Director

MANAGEMENT TEAM

Ms. Farah Malik Bhanji
Managing Director

Holds Bachelor's Degree in Arts and BBA from University of Texas at Austin and attended the Owner/ President program at the Harvard Graduate School of Business.

Over 20 years of experience in the field of footwear retail and has been associated with the Company since December 2000.

Mr. Nissan Joseph
Chief Executive Officer

Holds Master's Degree in Business Administration.

Previously associated with Payless Shoes Pty Ltd, Hickory Brands Inc., Crocs, MAP Active & Planet Sports Inc.

Mr. Kaushal Khodidas Parekh
Chief Financial Officer

Holds Bachelor's Degree in Commerce, Financial Accounting and Auditing (Special) and is a qualified Chartered Accountant and Company Secretary.

Previously associated with Ernst & Young, PwC and N. M. Raiji & Co.

Ms. Alisha Rafique Malik
President - E-commerce and CRM

Holds a Bachelor's Degree in Arts (Finance) from University of Northumbria conducted at Welingkar Institute of Management Development and Research.

Has been associated with the Company since July 2009.

AWARDS AND RECOGNITION

Forbes India Leadership Awards 2022

Ms. Farah Malik Bhanji, Managing Director, and Ms. Alisha Malik, President – E-commerce and Marketing, won the GenNext Entrepreneur Award for a successful expansion and listing at the markets in 2021.

★★★

IMAGE Fashion Awards

India's Most Admired Retailer, 2022

★★★

FARAH MALIK BHANJI

Managing director, Metro Brands

Age: 45 • India

Malik Bhanji runs Metro Brands, India's fourth-largest footwear retailer by revenues, with over 10 in-house and more than 25 third-party brands. The pandemic hit the retailer hard, causing it to close 24 stores and cutting revenue 38% to 8 billion rupees ($107 million) in the fiscal year to March from a year earlier. In response, Malik Bhanji beefed up online sales through the company's website, online marketplaces and social media platforms. Online sales grew 87% year-on-year to 572 million rupees in fiscal 2021. Malik Bhanji's grandfather Malik Tejani opened the first store under the Metro brand in 1955. Today her father Rafique has a net worth of $1 billion, and debuted on the global billionaires list earlier this year. After graduating from the University of Texas in Austin with honors in arts and business administration, Malik Bhanji joined the privately held family business in 2000. She was instrumental in developing relationships with foreign brands such as Clarks, Crocs and Skechers, and helped expand the store network from 100 in 2010 to 586 stores in 134 Indian cities. Metro is awaiting regulatory approval that would allow it to go public.

COURTESY OF METRO BRANDS

Recognition: Leadership

Ms. Farah Malik Bhanji, Managing Director featured on the Forbes' Asia's Power Businesswomen 2021

★★★

FEMINA

Ms. Farah Malik Bhanji, Managing Director, awarded the 'Most Promising Women Leaders', 2021

★★★

India Retail Champions Award, Retailers Association of India

Footwear Category, 2021

★★★

IMAGES RETAIL AWARDS

Most Admired Retailer Tech Implementation, 2021

★★★

FRO Awards 2021

Retail Brand of the Year, 2021

★★★

India Retail Tech Awards

Most Admired Omnichannel Retailer of the Year, 2021

★★★

MAPIC India Retail Awards

Most Admired Omnichannel Retailer of the Year, 2021

★★★

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rafique A. Malik
Chairman

Ms. Farah Malik Bhanji
Managing Director

Mr. Mohammed Iqbal Hasanally Dossani
Whole time Director

Mr. Utpal Hemendra Sheth
Non-Executive Nominee Director

Mr. Manoj Kumar Maheshwari
Non-Executive Independent Director

Ms. Aruna Advani
Non-Executive Independent Director

Mr. Vikas Khemani
Non-Executive Independent Director

Mr. Arvind Kumar Singhal
Non-Executive Independent Director

Mr. Srikanth Velamakanni
Non-Executive Independent Director

CHIEF EXECUTIVE OFFICER

Mr. Nissan Joseph

COMPANY SECRETARY

Ms. Deepa Sood

CHIEF FINANCIAL OFFICER

Mr. Kaushal Parekh

CIN No.

L19200MH1977PLC019449

REGISTERED AND CORPORATE OFFICE OF THE COMPANY

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

STATUTORY AUDITORS

Deloitte Haskins & Sells,
Chartered Accountants,
Heritage, 3rd Floor,
Near Gujarat Vidhyapith, Off Ashram Road,
Ahmedabad - 380014
Firm Reg. No. - 117365W

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, First Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai - 400083
Tel No: 022 - 49186200
E-mail: rnt.helpdesk@linkintime.co.in

BANKERS

ICICI Bank Limited

HDFC Bank Limited

RBL Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

WEBSITE

www.metrobrands.com

INVESTOR GRIEVANCE EMAIL ADDRESS

Investor.relations@metrobrands.com

Management Discussion and Analysis

GLOBAL ECONOMY

According to the World Economic Outlook report of the International Monetary Fund (IMF) released in April 2022, the global economy expanded by 6.1% in Calendar Year 2021 after declining by 3.1% in 2020. For Calendar Year 2022, the IMF has slashed its global growth outlook to 3.6% from 4.4% projected earlier. Worsening supply-demand imbalances due to the Ukraine-Russia conflict since February 2022 has led to inflation which continues to weigh on global economic recovery. Beyond 2022, global growth forecasted to stay at about 3.3% over the medium term.

Going ahead, on one hand, monetary policy in many countries will need to be further tightened to curb inflation pressures; on the other, fiscal policy will have limited room to boost growth as nations prioritise health and social spending. Lower global economic growth and monetary tightening may lead to reduced discretionary spending.

INDIAN ECONOMY

In line with global economic growth, the Indian economy grew by 8.7% in FY 2021-22 after contracting by 6.6% in FY 2020-21. Despite India seeing two waves of the COVID-19 pandemic in the fiscal year – in Q1 and Q4 – economic recovery stayed healthy on the back of higher government spending, normalisation of business activities, limited lockdowns, improvement in consumer sentiment and a higher vaccine inoculation rate.

On a positive note, the private final consumption expenditure (PFCE), a gauge for consumption in the economy that forms more than half of the Indian GDP, saw a growth of 7.9% in FY 2021-22 as compared with a deceleration of 6% in FY 2020-21.

However, contact-intensive sectors are not completely out of the woods. The prolonged Ukraine-Russia war has also upset global supply chains leading to higher raw material costs.

In FY 2022-23, while many high-frequency indicators show that the economy is on the growth path, inflation expectations are high. In FY 2022-23, India's GDP is expected to grow by 7%-7.5%. The prospects for economic growth in FY 2022-23 will depend on trends in the global economy, resolutions of geo-political tensions, and the pace of monetary tightening by the RBI.

Despite challenges, the Indian economy remains one of the brightest spots amidst weak global growth in the near term. India will benefit from the government's policy support including higher spending on infrastructure, rural policy push, exports boost, and a stronger than expected recovery in the services and manufacturing sector in the near to medium term. Good monsoon this season will provide a boost to the economy and consumer demand.

BUSINESS REVIEW

The Company has continued to show strong growth, both in terms of volumes and value, across all its formats and tiers despite the challenging global operating environment. The Company saw a marginal impact from COVID's third wave, which lasted from late December 2021 till the end of January 2022. Consumer sentiment, however, picked up from February 2022 resulting in robust sales. In fact, your Company registered its best-ever Q4 FY 2021-22, both in terms of top line and bottom line – led by higher sales and store count, improved gross margin and overall efficiency in expenses management.

As of March 2022 end, your Company has a pan-India presence through 624 stores located in 142 cities spread across 30 states and union territories. With a diversified presence across regions, the Company has a wide range of brands and products across multiple categories through own and third-party brands and caters to all occasions across age groups. This has resulted in a strong and loyal customer base.

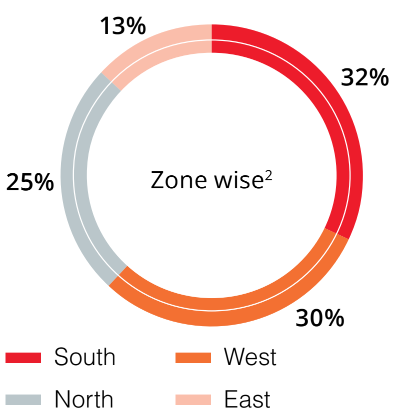
The Company primarily follows the Company Owned and Company Operated (COCO) model of Retailing. In the fiscal year gone by, the Company opened 87 new stores and closed 49 stores which included: 12 stores that were relocated to better locations, and 21 Walkway Shop in Shops. The financial impact of the latter is minimal.

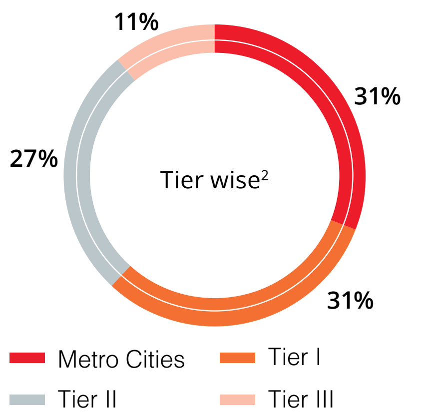
BRIEF OVERVIEW

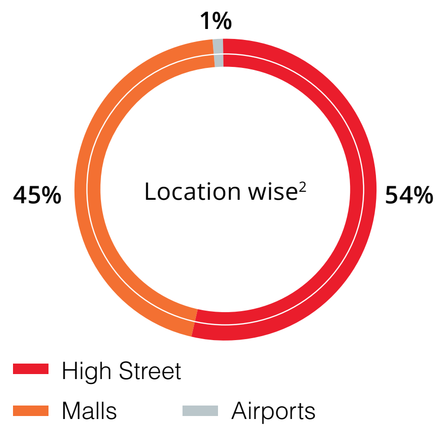
One-Stop Shop for all Footwear Needs

As of March 2022/FY 2021-22	METRO SHOES	MOCHI	crocs	WALKWAY
Target Customer	Family	Youth	Premium	Value Format
No. of Stores (count contribution %)	231 (37%)	162 (26%)	178 (29%)	53 (8%)
Cities	127	84	83	38
Price Range (₹)[1]	1,000-10,000	1,000-10,000	1,500-6,000	350-3,500
Average Realisation, per Unit (₹)	1,538	1,530	1,895	626
Size (sq.ft.)	1,601	1,520	596	1,348

Pan-India Presence with 624 Stores I 142 Cities I 30 States and Union Territories (As of March 2022)

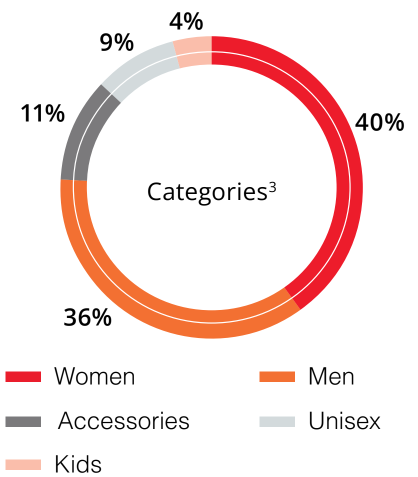


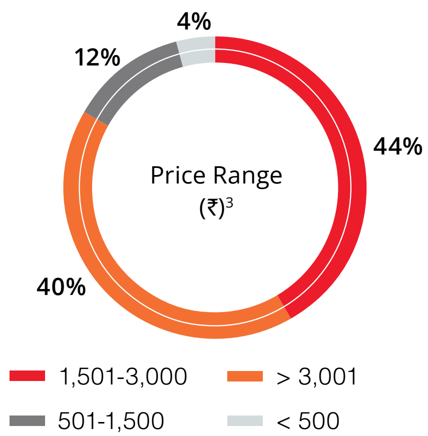


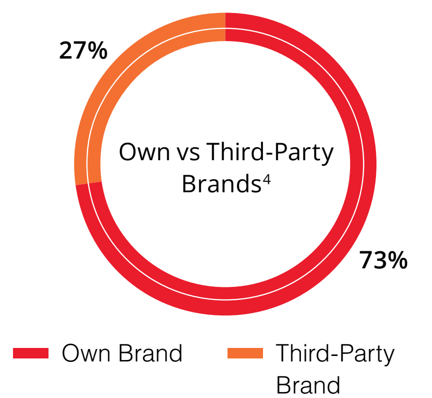


Primarily follows "Company Owned and Company Operated" (COCO) model of Retailing

Products for entire family with focus on Mild and Premium Segment (FY 2021-22)







Note: Numbers/Percentages are rounded off. [1]Price Range refers MRP of the inventory and represents 85% of the total inventory value for the relevant customer segment. [2]Total Store Split as of March 2022. [3]Split of Total Store Product Sales for FY 2021-22 on standalone basis. [4]Split of Total Store Product Sales on standalone basis for FY 2021-22 at MBOs.

Effective planning and close coordination with our vendor partners have helped us successfully overcome supply chain disruptions caused by COVID-19 lockdowns and adverse geo-political environments. Adequate inventory has helped us avoid any loss on sales. Inventory buying was front-loaded in view of impending raw material cost escalation and supply chain disruptions.

For FY 2021-22, the Company clocked a total income of ₹ 1,401.57 crores, a growth of 59.5% as compared with the previous year. Net profit for the fiscal year stood at ₹ 214.20 crores, a growth of 231.4% as compared with the previous year. Growth has been driven by better assortments, higher pricing, less discounting and greater volumes.

On the taxation front, effective January 1, 2022, the GST rate was increased from 5% to 12% for footwear in the below ₹ 1,000 category. However, the GST hike did not cause any major impact on the Company as less than 15% of our range, on a closing stock basis, is below the MRP of ₹ 1,000. For Walkway, a value price range brand, appropriate measures were initiated in Q3 FY 2021-22 to protect our gross margins.

The Company is witnessing an inflationary trend in raw material costs in the range of around 5%-15%. We continue to engage with our vendor partners to evaluate all means to cushion expected MRP revisions of our upcoming footwear and accessories range.

Your Company saw an improvement in gross margins at 57.9% in FY 2021-22 due to lower contribution of discounted sales and improvement in overall sales mix. However, in coming quarters, overall gross margins are likely to normalise back to pre-COVID levels of around 55%-56%.

On a standalone basis, our digital channels posted high double-digit growth of 92% for the year. The contribution of contribution of e-commerce sales (including omni-channel), has increased to 8.4% of total revenue from operations in FY 2021-22 as against 7.3% in FY 2020-21 and 2.5% in FY 2019-20.

As of FY 2021-22, 73% of the total stores product sales at MBOs was from inhouse brands and 27% from third-party arrangements. The Company entered into a long-term exclusive agreement with FitFlop, UK's premium–super-comfortable flip-flops and footwear range in January 2022 and the first store was opened in April 2022. This agreement provides Metro Brands exclusive rights for sale and distribution across all formats – exclusive brand stores, multi-brand stores, airport stores, distribution, online marketplaces and webstores in India.

Finally, the Company continues to take all precautions to ensure that our customers, employees, and partners are operating in a safe environment.

INDUSTRY STRUCTURE AND DEVELOPMENTS

In recent years, India's organised retail sector has been performing well on the back of healthy economic growth, changing demographic profile and consumer preferences, besides increasing disposable income and urbanisation. While the COVID-19 pandemic dealt a significant blow to the economy and to the organised retail sector, consumption trends started making a recovery mid FY 2021-22 to grow beyond pre-pandemic levels. The footwear industry, which is a broad sub-sector within retail, has emerged as one of the most dynamic sectors in recent years on the back of changing consumer attitudes towards footwear. Today, buying footwear has transcended into a lifestyle purchase.

CRISIL Research pegs India's retail industry in FY 2019-20 at around ₹ 62 trillion. Within the larger fold of the retail sector, footwear accounted for 1.5% or around ₹ 1 trillion in FY 2019-20. Going forward, the growth momentum is expected to pick up and the footwear sector is estimated to reach ₹ 1.4 trillion by FY 2024-25, growing at a CAGR of around 21% between FY 2021 and FY 2025.

In volume terms, the industry is estimated to grow from 2.56 billion pairs in FY 2019-20 to 2.90 billion pairs by FY 2024-25. Indian footwear consumption in value terms is likely to increase from ₹ 920 - ₹ 950 billion in FY 2021-22 to ₹ 1,380 - ₹ 1,450 billion by FY 2024-25. The average selling price (ASP) of footwear in India is also likely to increase from ₹ 415 to ₹ 430 in FY 2021-22 to ₹ 490 - ₹ 515 by FY 2024-25.

The penetration of organised footwear retail is estimated to increase to 36%-40% from 31% in FY 2019-20. In terms of segments, the share of the mass, economy, mid and premium segments are likely to alter to 51%, 28%, 13% and 8%, respectively in FY 2024-25 from 56%, 26%, 11%, and 7% respectively in FY 2019-20. In terms of category-wise market composition, the share of men, women and kids is likely to jump to 56%, 34% and 10% respectively in FY 2024-25 from 58%, 32% and 10% respectively in FY 2019-20.

There has been a visible trend of customers shifting towards high-value products, even in smaller cities, and customers are increasingly adopting the e-commerce route for footwear purchases.

OPPORTUNITIES AND STRENGTH

Given the outlook, there are a significant growth drivers for the retail and footwear industry in the foreseeable future: income growth, urbanisation, rise of nuclear families, customers' attitudinal shift, ease of making payments, expansion by organised players, entry of foreign players and increasing demand for online shopping.

Indian per capita footwear consumption is low, compared with the global average. The global average per capita annual consumption is approximately 3.2 pairs as of 2019. India's per capita annual consumption is lower, compared with its peers, at approximately 1.9 pairs in 2019. Per capita footwear consumption in India is likely to increase to 2.1 by FY 2024-25.

Metro Brands is positioned well to take advantage of this opportunity. Here are our key strengths:

1) One of India's largest pan-India footwear retailers with a brand appeal among aspirational consumer segments,
2) Pivoting from a primarily 'Offline' to an 'Omni-channel' enabled footwear and accessories retailer,
3) Asset-light business structure with an efficient operating model for sustained profitable growth,
4) Wide range of brands and products catering to all occasions across age groups and market segments resulting in strong customer loyalty,
5) Follows an efficient operating model through deep vendor engagements and TOC (Theory of Constraints) based supply chain,
6) Most ideal platform of choice for third-party brands looking to expand in India,
7) Strong promoter background and an experienced and entrepreneurial management team with a proven track record, and
8) A strong track record of growth, profitability, and financial discipline.

THREATS AND CONCERNS

There are a few risks and challenges for the Company that we strive to mitigate through our strategies.

Ongoing COVID-19 pandemic: Any further spread of the ongoing COVID-19 pandemic or its variant can force authorities to impose lockdowns leading to lower footfalls for the footwear industry and for the Company. The spread of the pandemic can hamper the ability of customers to visit stores. This can have an adverse effect on the business. To mitigate the risk, the Company is pivoting itself from primarily 'Offline' to an 'Omni-channel' enabled footwear and accessories retailer.

Vendor risk: There is a deemed risk about the concentration of vendors through which the Company sources the products that it sells. However, the Company has long-standing relationships with its vendors. In the last three fiscals, it has engaged with over 250 vendors for products, thereby reducing the concentration risk. In fact, continual engagements with different sets of vendors have led to translating trends into product efficiency.

Fast-changing trends: Inability to identify trends in customer demand is a key risk to the business. However, the Company stands tall as a One-stop shop family retailer catering to the footwear needs of men, women, and kids for different occasions. The Company has a wide range of brands and products catering to all occasions across age groups and market segments. This allows the Company to operate across the economy, in both mid and premium segments. All these factors allow the Company to be flexible and reduce concentration risk.

Third-party manufacturing: There is a perceived risk that the Company may not be able to adhere to the relevant quality standards as it outsources all its manufacturing to third parties. However, the Company is among the few footwear retailers in India to source all products through outsourcing arrangements. The arrangement has been made efficient over the years. All in-house products are received at our two warehouses in Bhiwandi where robust quality inspection is conducted to ensure highest quality. In fact, owing to the scale of operations and strong supplier network, the Company can leverage better margins with its vendors. The asset-light business model of the Company has led to sustained profitable growth.

Pricing pressure in online sales: There is a fear that the Company will have to sacrifice margins if it gets pulled into the discount competition prevailing on online platforms to increase sales. However, the Company does not see the online mode of sales as cannibalistic to brick-and-mortar business, but as an additional avenue to the offline mode of sale. The Company is well disciplined, so that while it may offer discounts online, these will be kept to a minimum.

Future third-party brand acquisitions: Inability to successfully develop and integrate any future brand acquisitions with the Company is seen as a risk. Currently, 73% of what the Company sells are our own home brands. It's sold under three different labels – Metro, Mochi and Walkway. The Company brings in new brands only when they first and foremost complete the customer journey and provide them with a better experience in our stores.

OUTLOOK

India's organised footwear sector is experiencing robust growth not just in major cities and metros, but also in tier II and tier III cities. As income levels grow in India, the sector is going to see more buyers and aspirational ones too.

Your Company is eyeing a few key organic and inorganic strategies:

Store expansion plans: The Company is targeting to open 260 stores, net of closed stores, under various formats by end of FY 2024-25.

Leverage multi-channel platforms: The Company entered into an agreement with Crocs in April 2015, which was amended by way of an addendum agreement entered in July 2017. The Company now wants to build on the successful expansion of Crocs/FitFlop and leverage the platform to evaluate similar opportunities. The Company entered an exclusive tie-up with FitFlop for all sales channels. The first FitFlop store was opened in April 2022. The Company intends to open 5 FitFlop stores in FY 2022-23.

Walkway operations: Since the Company's strategic decision to pull out of Walkway SIS operations, the Walkway team will now focus entirely on expanding the Walkway format via stores under COCO and Franchise mode. For Walkway, we plan to follow cluster-based approach by initially focussing more on southern and western parts of India.

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

Expand portfolio of accessories and others: The Company is eyeing growth in allied businesses like accessories, shoe care and foot care to augment its portfolio.

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

CAUTIONARY STATEMENT

The statements in this report describing the Company's plans, projections, estimates, and expectations may constitute 'Forward-Looking Statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied.

Directors' Report

Dear Members,
Metro Brands Limited

Your Directors are pleased to present the 45th (Forty-fifth) Annual Report together with the Audited Financial Statements, prepared in compliance with Ind AS Accounting Standards of Metro Brands Limited ('your Company') for the Financial Year (FY) ended March 31, 2022.

1. STATE OF COMPANY'S AFFAIRS AND BUSINESS OVERVIEW

Your Company is one of the largest Indian footwear and accessories specialty retailers and an aspirational Indian brand in the footwear category.

Your Company retails footwear under its own brands of Metro, Mochi, Walkway, Da Vinchi and J. Fontini, as well as certain third-party brands such as Crocs, Skechers, Clarks and Fitflop, which complement the in-house brands. Your Company believes that these brands have a pan-India appeal across regions. It also offers accessories such as belts, bags, socks, and wallets, at the stores. It also retails footcare and shoe-care products at its stores. Thus, your Company has evolved into a one-stop-shop for all footwear needs, retailing a wide range of branded products for the entire family, including men, women, unisex, and children, and for every occasion, including casual and formal events.

Your Company has been targeting the economy, mid and premium segments in the footwear market, which together have contributed to its overall growth.

Your Company carries retail operations through its own stores and distributors as well as through ecommerce channels (including omni-channel).

More details on the state of Company's affairs and business overview are discussed in the Management Discussion & Analysis Report forming part of this Annual Report.

2. FINANCIAL HIGHLIGHTS & PERFORMANCE SUMMARY

The standalone and consolidated Financial Statements for the FY ended March 31, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures regarding Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the FY under review as compared to the previous FY is summarized below:

(₹ in Lacs)

Particulars		Standalone		Consolidated	
		2021-22	2020-21	2021-22	2020-21
	Gross Sales	**1,53,712**	**91,943**	**1,57,464**	**93,852**
Less:	Taxes	22,527	13,101	23,239	13,951
	Sales (Net of Tax)	**1,31,185**	**78,841**	**1,34,225**	**79,901**
	Profit before depreciation & Tax	41,137	21,236	41,739	20,635
Less:	Depreciation	13,383	12,121	13,424	12,184
	Profit Before Tax	**27,754**	**9,114**	**28,314**	**8,451**
Less:	Provision for tax	7,526	2,428	7,525.5	2,428
Less:	Deferred Tax Liability	(590)	(497)	(561.8)	(426)
Less:	Tax pertaining to earlier years	55	(70)	54.9	(74)
(Add):	Share of profit of Joint Venture	-	-	(124.3)	60
	Profit After Tax	**20,764**	**7,252**	**21,420**	**6,462**
Add/(Less):	Other comprehensive income/(Loss) (net of taxes)	51	189	41	185
	Total Comprehensive Income	**20,815**	**7,442**	**21,460**	**6,647**
Less:	Total Comprehensive Income attributable to Non-Controlling Interest	-	-	258	(360)
	Total Comprehensive Income attributable to Owners of the Company	**20,815**	**7,442**	**21,201**	**7,007**

Standalone Financial results

Your Company is one of the largest Indian footwear specialty retailers and are among the aspirational Indian brands in the footwear category. The Company has a strong track record of revenue growth and profitability. During the FY 2021-22, your Company recorded the Gross Turnover of ₹ 1,537.12 crore, a growth of 67.18% as compared to Gross Turnover of ₹ 919.43 crore during the previous FY.

The Profit before Tax was ₹ 277.54 crore compared to ₹ 91.14 crore in the previous FY, increased by 204.53 %. The Profit after Tax was higher at ₹ 208.15 crore compared to ₹ 74.42 crore in the previous FY, a growth of 179.71%.

Consolidated Financial Results

During the FY 2021-22, the Company recorded Gross Turnover of ₹ 1,574.64 crore during the FY under review, as against the Gross Turnover of ₹ 938.52 crore during the previous FY, an increase of 67.78%.

The Profit before Tax was ₹ 283.14 crore compared to ₹ 84.51 crore in the previous FY, higher by 235.04%. The Profit after Tax was higher at ₹ 214.59 crore compared to ₹ 66.47 crore in the previous FY, a growth of 222.83%.

3. SIGNIFICANT ACTIVITIES AND DEVELOPMENTS

i. Initial Public Offering:

During the FY 2021-22, the Company had come up with an Initial Public Offering (IPO) of 27,350,100 equity shares of face value of ₹ 5/- each at a premium of ₹ 495 per Equity shares, comprising of fresh issue of 59,00,000 equity shares and Offer for Sale of 21,450,100 equity shares by selling shareholders. Pursuant to the IPO, the paid-up equity shares capital of the Company increased from ₹ 1,32,80,37,130 to ₹ 1,35,75,37,130.

The issue opened on December 10, 2021 and closed on December 14, 2021.The trading on equity shares commenced on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on December 22, 2021, subject to fulfillment of lock-in conditions on certain shares. The success of the IPO reflects the trust, faith, and confidence that the investors, customers, business partners and markets has vested in the Company.

The market capitalization of the Company has marked its presence under the list of Top 500 Companies in the market. As per the market capitalization list released by NSE and BSE, the ranking of your Company is 246 and 247 respectively as of March 31, 2022.

ii. Utilization of Proceeds of IPO:

Pursuant to Regulation 32 of the SEBI Listing Regulations, a statement/explanation for the deviation(s) or variation(s) in the use of proceeds of IPO is herein given below:

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

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

(₹ in Million)

Sl. No.	Name and brief description of the Object	Amount as proposed in Offer Document (₹)	Amount utilized (₹)	Total unutilized Amount (₹)
1.	Expenditure for the New Stores	2,253.74	5.54	2,248.20
2.	General Corporate Purposes	595.60	595.60	-
	Total	2,849.34	601.14	2,248.20

iii. Private Placement:

On November 3, 2021, your Company issued Pre-IPO Placement to a selected group of persons on a private placement basis of 73,136 equity shares at a price of ₹ 450 per share (including premium of ₹ 445 per share) to reward the long-term associates of the Company and to create a sense of ownership in them towards the business. The Company raised ₹ 3.29 crores, which are being utilized for opening new stores of the Company and general corporate purposes.

iv. Metro Stock Option Plan 2008 (ESOP 2008):

On September 11, 2008, the Company had implemented Metro Stock Option Plan 2008 ("ESOP 2008"/ "Plan") for its employees. The objective of the ESOP 2008 is to attract and retain talent by way of rewarding their association and performance and to motivate them to contribute to the overall corporate growth and profitability.

The ESOP 2008 was originally approved by the Board of Directors on July 23, 2008 and was further modified by the members of the Company by way of resolutions passed in general meetings on September 26, 2014, August 5, 2021, and September 23, 2021. In terms of Regulation 12 (1) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), ESOP 2008 was ratified by shareholders of the Company subsequent to the IPO of the Company by way of Postal Ballot passed on April 11, 2022 and accordingly the Company has obtained in-principle approval from BSE and NSE on May 23, 2022 and May 30, 2022 respectively to list its ESOP shares.

To encourage employee's sense of belongingness in the Company, in addition to the old ESOP options that was granted, in September 2021, your Company has granted around 0.71% of total equity capital amounting to 18.78 lacs options, which would entitle the grantees to exercise one equity share of ₹ 5/- each on exercise of every one Option.

With reference to Part C of SEBI (SBEB) Regulations, besides the disclosures made in the Postal Ballot Notice dated March 7, 2022, the following points are further clarified:

Sr. No	Requirement	Disclosure
(i)	whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The plan is administered by the Company
(ii)	whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	The plan involves new issue of shares by the Company
(iii)	the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	There is no trust, hence not applicable
(iv)	maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	There is no trust, hence not applicable
(v)	the method which the company shall use to value its options or SARs	Fair value method is used to measure compensation cost for ESOPs and not intrinsic value. Thus, this statement is not applicable.
(vi)	the following statement, if applicable: 'In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report';	No terms & conditions of buy back have been laid down. This statement is not applicable.
(vii)	Terms & conditions for buyback, if any, of specified securities covered under these regulations.	There is no trust, hence not applicable

The disclosure required pursuant to Clause 14 of the SEBI (SBEB) Regulations is uploaded on the website of the Company at www.metrobrands.com

4. SHARE CAPITAL

As on March 31, 2022, the Authorised Equity Share Capital of the Company was ₹ 1,50,00,00,000 comprising of 30,00,00,000 equity shares of ₹ 5 each; and the Paid-up Equity Share Capital of the Company was ₹ 1,35,75,37,130 comprising of 27,15,07,426 equity shares of ₹ 5 each.

After the end of the FY under review, the Company has allotted 48,733 equity shares of ₹ 5 each on July 11, 2022 to two applicants exercising ESOP options. Consequently, the Paid-up Capital of the Company has increased to ₹ 1,35,77,80,795 comprising of 27,15,56,159 equity shares of ₹ 5 each.

5. BUSINESS OPERATIONS

Your Company is one of the largest Indian footwear specialty retailers present in India. It has continued with its expansion plan and opened 87 new stores including relocation of 12 existing stores. The total number of stores reached 624 at the end of the FY.

Your Company's business is customer-centric, and the Company has loyalty programs for the customers, including Club Metro, My Mochi, and Crocs Club. These loyalty programmes have given the Company insights into customer preferences and trends over the years, further enabling the Company to tailor the product offerings to the customers' preferences.

6. IMPACT OF COVID-19 PANDEMIC

During the 2nd wave of the pandemic, the country faced a lot of difficulties due to rise in infections and through this time each one of us has been directly or indirectly affected. Due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews, and other restrictions to curb the spread of the virus, restricting operations at our stores.

Your Company managed to navigate through the difficult situation with support of its customers, employees and suppliers. With the availability of vaccines and a better understanding of how to handle it, your Company has emerged stronger and resilient. While there was significant disruption to the operations of the Company and its subsidiary during ongoing COVID-19 crisis, the Company has managed to navigate its challenges. The Company has evaluated its liquidity position and recoverability and carrying values of its assets and accordingly, at present the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Management continues to closely monitor the situation as it evolves and do it's best to take all necessary measures, in the interests of all stakeholders of the Company.

7. ARTICLES OF ASSOCIATION

During the FY under review, the shareholders of the Company on August 5, 2021 adopted and approved a new set of Articles of Association pursuant to the IPO. The same were implemented upon listing of equity shares of the Company.

8. PUBLIC DEPOSITS

During the FY under review, your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2022, there were no deposits lying unpaid or unclaimed. As the Company has not accepted any deposit during the FY under review, there is no non-compliance with the requirements of Chapter V of the Act.

9. DIVIDEND AND APPROPRIATIONS

The Board of Directors of your Company in its meeting held on March 7, 2022 had declared and paid an interim dividend of ₹1.50/- per equity share of the face value of ₹5/- per share (30%). The Board of Directors have proposed Final Dividend of ₹0.75/- per Equity Share of face value ₹ 5/- per Equity Share (15%) for the FY 2021-22 in its Meeting held on May 20, 2022. Total Dividend payout for the FY 2021-22 would be 30% which is the same level as previous FY. The dividend declared and paid / proposed to be declared during the FY is in accordance with the Dividend Distribution Policy, as approved and adopted by the Board of Directors of the Company and dividend will be paid out of the profits for the FY. Total Dividend payment for FY2021-22 approx ₹ 61.09 Crores.

In terms of Regulation 43A of the SEBI Listing Regulations, the Dividend Distribution Policy duly approved by the Board taking into account the parameters prescribed in the said Regulations is available on the website of the Company and can be accessed at www.metrobrands.com. The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy.

The Register of Members and Share Transfer Books of the Company will remain closed from September 1, 2022 to September 7, 2022 (both days inclusive) for ascertainment of shareholders eligible to receive dividend for the FY ended March 31, 2022.

10. TRANSFER TO RESERVES

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

11. FINANCE

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

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

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

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

14. SUBSIDIARY COMPANY

The Company has one subsidiary i.e., Metmill Footwear Private Limited (Metmill) (51% subsidiary) which was incorporated on September 16, 2009, with paid-up capital of 1,25,00,000/- (Rupees One Crore Twenty-Five Lakhs only). Metmill has reported for the FY under review Gross Sales of ₹ 42.08 Crores, a degrowth of 25.85 % compared to previous year and Profit after Tax of ₹ 4.74 Crores, increased by 146.42% compared to previous year.

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

The Audited Consolidated Financials of your Company for the FY ended March 31, 2022 prepared in compliance with the provisions of IND AS 27 issued by the Institute of Chartered Accountants of India and notified by the Ministry of Corporate Affairs (MCA), Government of India also forms part of this Annual Report.

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

The Company's policy on determining the material subsidiaries, as approved by the Board is uploaded on the Company's website at www.metrobrands.com.

15. JOINT VENTURE

The Company has one Joint Venture i.e., M.V. Shoe Care Private Limited (MVSC), wherein your Company holds 49% of Equity Shares. MVSC has reported Gross Sales of ₹ 25.89 Crores, an Increase of 80.80% and Profit after Tax of ₹ 2.05 Crores, increase of 243.31% for the FY under review, compared to previous year.

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

During the FY under review, there was no company which has become/ceased to become a Joint Venture/ Associate Company.

16. BOARD OF DIRECTORS

The Board of Directors holds fiduciary position and is entrusted with the responsibility to act in the best interests of the Company. The Board, at its meetings, deliberate and decide on strategic issues including review of policies, financial matters, discuss on business performance and other critical matters for the Company. Committees constituted by the Board focus on specific areas and take informed decisions within the framework of the delegated authority and responsibility and make specific recommendations to the Board on matters under its purview. Decisions and recommendations of the Committees are placed before the Board for consideration and approval as required.

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Non-Independent Director and Non-Executive Independent Directors including Women Director in accordance with the provisions of Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations. All the Directors have rich experience and specialized knowledge in sectors covering law, finance, accountancy, and other relevant areas.

As on March 31, 2022, the Board of your Company consists of nine (9) directors and six (6) Non-Executive Directors including five (5) Independent Directors. The Chairman of the Company is an Executive Director.

In accordance with the provisions of the Act, the Articles of Association of your Company and Subscription and Shareholders' Agreement read with the Supplementary Subscription and Shareholders Agreement, the Deed of Adherence and the Subscription and Shareholders' Amendment Agreement dated July 28, 2021entered between the Company, Promoter & Promoter Group, and the Investors, as amended from time to time, Ms. Farah Malik Bhanji, Managing Director (DIN: 00530676) and Mr. Utpal Hemendra Sheth, Non-executive Director (DIN: 00081012), retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment for approval of the Members and the same forms part of the notice of the ensuing Annual General Meeting. The information about the Directors seeking their re-appointment as per Para 1.2.5 of Secretarial Standards on General Meetings has been given in the notice convening the Annual General Meeting.

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

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

The appointment of Mr. Srikanth Velamakanni (DIN: 01722758) was approved by the Members in the Annual General Meeting of the Company held on August 20, 2021 for a period of five years. He was appointed as an Independent Director in the Board Meeting held on March 25, 2021.

Mr. Rafique A. Malik, Chairman (DIN: 00521563), Ms. Farah Malik Bhanji, Managing Director (DIN: 00530676), Mr. Mohammed Iqbal Hasanally Dossani, Whole-time Director (DIN: 08908594), and Mr. Arvind Kumar Singhal, Independent Director (DIN: 00709084), were re-appointed in the Annual General Meeting of the Company held on August 20, 2021, for a further period of 5 years.

17. KEY MANAGERIAL PERSONNELS (KMPs)

During the year under review, Mr. Nissan Joseph was appointed as Chief Executive Officer (CEO) with effect from July 1, 2021.

Ms. Tarannum Bhanpurwala stepped down from the position of Company Secretary and Compliance Officer of the Company with effect from March 7, 2022, due to personal reasons. She continues with the Company as Deputy Company Secretary. Ms. Deepa Sood (ICSI Membership Number: A16019), was appointed as Company Secretary and Compliance Officer with effect from March 7, 2022.

Further, Mr. Sohel Kamdar resigned vide letter dated January 31, 2022 as Chief Operating Officer & KMP of the Company with effect from March 15, 2022 due to personal reasons.

Your Directors place on record their appreciation for the valuable contribution made by the outgoing KMPs.

Pursuant to the provisions of Section 203 of the Act, the KMPs of the Company as on March 31, 2022, are:

1. Mr. Rafique Malik, Chairman
2. Ms. Farah Malik Bhanji, Managing Director
3. Mr. Mohammed Iqbal Hasanally Dossani, Whole Time Director

4. Mr. Nissan Joseph, Chief Executive Officer

5. Mr. Kaushal Parekh, Chief Financial Officer

6. Ms. Deepa Sood, Company Secretary & Compliance Officer

7. Ms. Alisha Malik (President – E-Commerce and CRM)

18. DECLARATION BY INDEPENDENT DIRECTORS

There are five Independent Directors on the Board of the Company. Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) and Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations.

The Independent Directors have also submitted a declaration confirming that they have registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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

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

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per SEBI Listing Regulations.

19. NUMBER OF MEETINGS OF BOARD

Your Board of Directors meet at regular intervals to discuss and decide on business strategies/policies and review the Company's financial performance. During the FY 2021-22, ten Board Meetings were held. The meetings were held in hybrid mode i.e., both physically and virtually in accordance with the applicable provisions of the Act. The details relating to Board Meetings and attendance of Directors in each Board Meeting held during the FY 2021-22 has been separately provided in the Corporate Governance Report.

20. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Nomination, Remuneration and Compensation (NRC) Committee of the Board of Directors has devised a policy which is in accordance with the Act and the SEBI Listing Regulations for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The Committee has also formulated the criteria for determining qualifications, positive attributes, and independence of Directors. The Policy, inter alia, covers the details of the remuneration of Directors, Key Managerial Personnel and Senior Management, their performance assessment and retention features.

The Policy aims to attract, retain, and motivate qualified people at the Board and senior management levels and ensure that the interests of Board members and senior executives are aligned with the Company's vision and mission statements and are in the long-term interests of the Company. The Policy can be accessed on the Company's website at www.metrobrands.com.

21. GENERAL MEETINGS

Annual General Meeting

The 44th Annual General Meeting of the members of the Company was held on August 20, 2021, through video conference pursuant to the Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 5, 2020 and all other relevant circulars issued from time to time by MCA (collectively referred to as "MCA Circulars") to approve Financial Statements and other matters. All the Executive Directors were present in the meeting.

Extra-ordinary General Meetings

1. The Company held an Extra-ordinary General Meeting on June 21, 2021, through video conference pursuant to MCA Circulars, at short notice after taking consent from members of the Company representing 99.51% of the paid-up share capital of the Company, to confirm and approve payment of remuneration to the Managing Director and Whole-time Directors. All the Executive Directors were present in the meeting.

2. The Company held an Extra-ordinary General Meeting on August 5, 2021, through video conference pursuant to MCA Circulars, at short notice after taking consent from members of the Company representing 99.57% of the paid-up share capital of the Company, to approve amended Employee Stock Option Plan (ESOP), 2008 and other matters. All the Executive Directors were present in the meeting.

3. The Company held an Extra-ordinary General Meeting on September 23, 2021, through video conference pursuant to MCA Circulars, at short notice after taking consent from members of the Company representing 99.562% of the paid-up share capital of the Company, to confirm and approve amendment in Metro Stock Option Plan 2008 with the latest changes made in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. All the Executive Directors were present in the meeting.

4. The Company held an Extra-ordinary General Meeting on October 29, 2021, through video conference pursuant to MCA Circulars, at short notice after taking consent from members of the Company representing 99.50% of the paid-up share capital of the Company, to approve offer of Equity Shares to the Long-Term Associates of the Company on Private Placement Basis. All the Executive Directors were present in the meeting.

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

The Chairman had organized the evaluation process pursuant to the provisions of the Act, and Regulation 17 (10) and other applicable provisions of the SEBI Listing Regulations and in consonance with the Guidance Note on Board Evaluation issued by SEBI. The Board of Directors of the Company have formulated a Board Evaluation Policy which lays down the manner of evaluation of the Board as a whole, its Committees and the individual Directors.

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

The Evaluation process covers a structured questionnaire for evaluation by Board members and the evaluation mechanism with definite parameters has been explicitly described in the Corporate Governance Report.

A separate meeting of the Independent Directors was held on March 7, 2022, without the attendance of non-independent directors and members of the management. Except for Mr. Vikas Khemani, who could not attend the meeting due to personal reasons, all other Independent Directors attended the said meeting.

23. INDEPENDENT DIRECTORS' INDUCTION AND FAMILIARIZATION

An appropriate induction program for new Directors and ongoing training for existing directors is a major contributor in maintaining the high Corporate Governance standards of the Company. The management provides such information and training either at the meeting of Board of Directors or through other formal & informal meetings. The details of such familiarization programmes for Independent Directors are posted on website of the Company at www.metrobrands.com.

24. COMMITTEES OF THE BOARD OF DIRECTORS

The constitution of the Board Committees is in acquiescence to the provisions of the Act and the relevant rules made thereunder, SEBI Listing Regulations and the Articles of Association of the Company. The Board has constituted Audit Committee, Nomination, Remuneration and Compensation Committee, Stakeholders Relationship Committee, Corporate Social Responsibility & Sustainability Committee, Risk Management Committee and Share Allotment and Transfer Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

An Annual Calendar of Board and Committee Meetings planned during the FY is circulated in advance to the Directors. The Board in its meeting held on March 7, 2022, had re-constituted the following Committees as follows:

1. Audit Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Mr. Manoj Maheshwari	Non-Executive Independent Director	Chairperson
2.	Ms. Farah Malik Bhanji	Managing Director	Member
3.	Ms. Aruna Advani	Non-Executive Independent Director	Member
4.	Mr. Vikas Khemani	Non-Executive Independent Director	Member

2. Nomination, Remuneration and Compensation Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Ms. Aruna Advani	Non-Executive Independent Director	Chairperson
2.	Mr. Manoj Maheshwari	Non-Executive Independent Director	Member
3.	Mr. Utpal Hemendra Sheth	Non – Executive Non-Independent Director	Member

3. Corporate Social Responsibility and Sustainability Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Ms. Farah Malik Bhanji	Managing Director	Chairperson
2.	Mr. Arvind Kumar Singhal	Non-Executive Independent Director	Member
3.	Mr. Srikanth Velamakanni	Non–Executive Independent Director	Member

4. Share Allotment and Transfer Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Ms. Farah Malik Bhanji	Managing Director	Chairperson
2.	Mr. Utpal Hemendra Sheth	Non – Executive Non-Independent Director	Member
3.	Mr. Nissan Joseph	Chief Executive Officer	Member

5. Stakeholders' Relationship Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Ms. Aruna Advani	Non-Executive Independent Director	Chairperson
2.	Ms. Farah Malik Bhanji	Managing Director	Member
3.	Mr. Mohammed Iqbal Hasanally Dossani	Whole-time Director	Member

6. Risk Management Committee

SR NO	NAME	DESIGNATION	CATEGORY
1.	Ms. Farah Malik Bhanji	Managing Director	Chairperson
2.	Mr. Vikas Khemani	Non-Executive Independent Director	Member
3.	Mr. Kaushal Parekh	Chief Financial Officer	Member

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

25. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2) of the SEBI Listing Regulations, as amended, inter alia, provides that the annual report of the top 1000 listed entities based on market capitalization (calculated as on March 31, of every FY), shall include a Business Responsibility Report describing the initiatives taken by the Company from environmental, social and the governance perspective. Since your Company is one of the top 1000 listed entities as on March 31, 2022, the Company, has presented its Business Responsibility Report for the FY 2021-22, in a separate section, forming part of the Annual Report.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

To streamline the CSR activities and other sustainability initiatives with new framework of Business Responsibility and Sustainability Reporting through the CSR Committee, the scope of the CSR Committee was widened to Corporate Social Responsibility and Sustainability Committee. Your Company has adopted and formulated a Corporate Social Responsibility Policy and has also constituted a Corporate Social Responsibility and Sustainability Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. It is committed to ensure the social wellbeing of the communities through its CSR initiatives, in alignment with the Company's key priorities. The Policy is also available on website of the Company at www.metrobrands.com.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company for the FY 2021- 22, as required under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and Rule 9 of the Companies (Accounts) Rules, 2014, is attached to this report as **Annexure - 2**.

27. RELATED PARTIES TRANSACTIONS

All Related Party Transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions, which were of a repetitive nature. The transactions entered pursuant to the transactions on which approval has been granted, were reviewed and statements giving details of all related party transactions were placed before the Audit Committee on a quarterly basis.

All related party transactions which were entered during the FY were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions entered by the Company with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interests of the Company. The policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at www.metrobrands.com.

The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Act for the FY 2021-22 in the prescribed format, AOC - 2 are provided in **Annexure - 5** to this Report.

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

29. RISK MANAGEMENT

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

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

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

The Risk Management Policy is available on the website of the Company at www.metrobrands.com. The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the FY under review, Risk Officer of your Company had reviewed risk assessment of

Company's operations in discussion with various stakeholders and updated the Risk Register accordingly.

30. INTERNAL FINANCIAL CONTROLS AND SYSTEMS

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

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

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

The control criteria ensure the orderly and efficient conduct of the Company's business, including adherence to its policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls system that is operating effectively as at March 31, 2022.

There were no instances of fraud of material misstatement to the Company's operations which required the Statutory Auditors to report to the Audit Committee and / or to the Board as required under Section 143(12) of the Act and the rules made thereunder.

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

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

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

All, including those on deputation, contract, temporary, part time or working as consultants, are covered under this policy. Training programmes were conducted annually to strengthen the awareness amongst various stakeholders. During the FY under review, no complaint was received under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules 2014, the extract of Annual Return will be uploaded on the website of the Company for the FY 2021-22 and the same will be available at www.metrobrands.com.

33. AUDITORS

Statutory Auditors:

Pursuant to Section 139, 142 and other applicable provisions of the Act, and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Deloitte Haskins & Sells, Chartered Accountants, (Regn. No. 117365W) statutory auditors of your Company, hold office till the conclusion of the 45th Annual General Meeting of the Company. M/s. Deloitte Haskins & Sells have completed two terms of 5-year each as per the Act and are not eligible for re-appointment. Accordingly, the Audit Committee and the Board of Directors subject to approval by the members of the Company, have recommended appointment of M/s. S R B C & CO LLP (FRN : 324982E/E300003), as statutory auditors of the Company for a period of five (5) years holding the office commencing from the conclusion of the ensuing 45^{th} Annual General Meeting till the conclusion of 50^{th} Annual General Meeting of the Company. The Auditors fulfill the eligibility and qualification norms as prescribed under the Act, the Chartered Accountants Act, 1949 and rules and regulations issued thereunder. In addition, the auditors hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI), a prerequisite for issuing quarterly Limited Review reports. The Directors appreciate the valuable services rendered by M/s. Deloitte Haskins & Sells, Chartered Accountants.

M/s. S R B C & CO LLP (FRN: 324982E/E300003), established in the year 2002, is a part of S. R. Batliboi & Affiliates network of audit firms, registered with the Institute of Chartered Accountants of India. The Audit Firm is engaged primarily in providing audit and assurance services, and certain tax assurance services to its clients. As on March 31, 2022, there are 35 partners and 1100+ professional and other staff in the Audit Firm.

Your Board recommends appointment of M/s. S R B C & CO LLP at the ensuing Annual General Meeting.

Internal Auditor:

M/s. Aneja Assurance Private Limited (Chartered Accountants) (CIN: U74999MH2008PTC185702), were appointed as the Internal Auditors of the Company for the FY 2021-22 in the Board Meeting held on March 25, 2021 in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014. The auditors have carried out internal audit for the FY 2021-22. Their reports were reviewed by the Audit Committee.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, CS A. Sekar, Practicing Company Secretary (COP No. 2450) was appointed by the Board of Directors at its meeting held on January 15, 2022 as the Secretarial Auditors of the Company to conduct the secretarial audit for the FY 2021-22.

The Secretarial Audit Report issued by CS A Sekar does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report in form MR-3 forms part of the annexures to this Directors' Report as **Annexure -6**.

Pursuant to the provisions of Regulation 24A of SEBI Listing Regulations, the Company has undertaken an audit for the FY 2021-22 for all applicable compliances as per SEBI Rules, Regulations, Circulars, Notifications, Guidelines etc. issued thereunder. The Annual Secretarial Compliance Audit Report duly issued by CS A. Sekar, Practicing Company Secretary (COP No. 2450) has been submitted to the Stock Exchanges within the prescribed time.

34. AUDITORS REPORT

The Auditors' Report prepared by the Statutory Auditors both in respect of Standalone Financial Statement and Consolidated Financial Statement of the Company for the year ended March 31, 2022 does not contain any qualification, reservation, adverse remark or disclaimer.

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

35. COST AUDIT

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

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

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

37. REMUNERATION TO DIRECTORS AND EMPLOYEES

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

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time-to-time, is provided in the said **Annexure -1** and forms part of this Board Report.

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

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

39. INSIDER TRADING CODE OF CONDUCT

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives to formulate a framework and policy for disclosure of events and occurrences that could impact price discovery in the market for its securities as per the requirements under SEBI(Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct has been made available on the Company's website at www.metrobrands.com.

40. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

The Policy provides a mechanism to ensure adequate safeguards to employees and directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statement and reports. The employees of the Company have the right/ option to report their concern/ grievance to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same. Further, no personnel have been denied access to the Audit Committee during the FY under review.

The details of this Policy are explained in the Corporate Governance Report which forms a part of this Annual Report and available at the website of the Company at www.metrobrands.com.

There was no instance of such reporting during the FY ended March 31, 2022.

41. DIRECTORS' RESPONSIBILITY STATEMENT

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

a) in the preparation of the annual accounts for the FY ended March 31, 2022, the applicable accounting standards had been followed.

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on March 31, 2022 and of the profits of your Company for the period ended March 31, 2022.

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

d) the Directors had prepared the annual accounts for the period ended March 31, 2022 on a "going concern" basis.

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

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

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

43. AWARDS

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

1. Best Use of Cloud Services – Ecommerce by Technology Excellence Awards 2022
2. India's Most Admired Retailer by IMAGE Fashion Awards
3. India's Retail Champions 2022 – Footwear
4. Best Footwear Brand 2021 by India Retail Champions Award (RAI)
5. Most Admired Retailers by Image Retail Awards 2021
6. Retail Brand of the Year by FRO Awards 2021
7. Most Admired Omnichannel Retailer of the Year by India Retail Tech Awards
8. Most Admired Omnichannel Retailer of the Year by MAPIC India Retail Awards

In addition, Ms. Farah Malik Bhanji, Managing Director and Alisha Malik, President – E-Commerce and CRM have been awarded GenNext Entrepreneur award by Forbes India Leadership Awards 2021-22

Ms. Farah Malik Bhanji also bagged Most Promising Women Leaders "Award by FEMINA"

44. GREEN INITIATIVES

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 45^{th} Annual General Meeting of the Company including the Annual Report for FY 2021-22 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

45. CORPORATE GOVERNANCE AND DISCLOSURES

The Company's Corporate Governance practices reflect value system encompassing culture, policies, and relationships with the stakeholders. Integrity and transparency are key to Corporate Governance practices to ensure that Company always gain and retain the trust of stakeholders. It is about maximizing shareholder value legally, ethically, and sustainably. The Board exercises its fiduciary responsibilities in the widest sense of the term.

Pursuant to Regulation 34(3) read with Schedule V of SEBI Listing Regulations a report on Corporate Governance along with a Certificate from the Secretarial Auditors towards compliance of the provisions of Corporate Governance, forms an integral part of this Annual Report and are given in **Annexure – 8**.

The Chief Executive Officer and the Chief Financial Officer have certified to the Board regarding financial statements and other matters as required under Regulation 17(8) read with Schedule II to the SEBI Listing Regulations.

46. GENERAL DISCLOSURES

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

i. There was no change in the nature of business of the Company during the FY ended March 31, 2022.

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

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

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

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

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

47. ACKNOWLEDGEMENT

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

The Board of Directors wishes to express its appreciation for the valuable contribution and continued hard work made by each and every member of the Metro Brands' Family at all levels, amidst the challenging time. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth.

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

Rafique A. Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: July 29, 2022

Annexures

Following reports have been annexed and form the part of this report.

Annexure 1 – Particulars of Employees

Annexure 2 – Report on CSR Activities

Annexure 3 – Conservation of Energy

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

Annexure 5 – Particulars of contracts / arrangements made with the related parties - AOC – 2

Annexure 6 – Secretarial Audit Report (MR – 3) inclusive of Annexure A

Annexure 7 – Business Responsibility Report

Annexure 8 – Corporate Governance Report

ANNEXURE 1 – TO THE DIRECTORS' REPORT

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

1. Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the FY 2021-22, the percentage increase in remuneration of Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the FY 2021-22.

Sr No	Name of Director/ KMP	Designation	Remuneration of Director / KMP for the FY 2021-22 (₹ in Lacs)	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration in FY 2021-22 as compared to FY 2020-21
1.	Mr. Rafique Abdul Malik	Chairman	760.1	329.57	0%
2.	Ms. Farah Malik Bhanji	Managing Director	317.3	137.58	0%
3.	Mr. Mohammed Iqbal Hasanally Dossani	Whole Time Director	31.2	13.53	7%
4.	Mr. Nissan Joseph*	Chief Executive Officer	191.0	82.82	0%
5.	Mr. Kaushal Parekh	Chief Financial Officer	145.8	63.22	38%
6.	Ms. Alisha Malik	President - E-Commerce and CRM	89.8	38.94	89%
7.	Ms. Deepa Sood**	Company Secretary, Compliance Officer and VP – Legal	4.89	2.12	0%
8.	Mr. Sohel Kamdar***	Chief Operating Officer	308.3	133.68	0%
9.	Tarannum Bhanpurwala****	Former Company Secretary and Compliance Officer	9.35	4.05	25%

** Mr. Nissan Joseph was appointed as the Chief Executive Officer of the Company w.e.f July 1, 2021*
** *Ms. Deepa Sood was appointed as Company Secretary, Compliance Officer and VP – Legal of the Company w.e.f March 7, 2022*
**** Mr. Sohel Kamdar ceased to be Chief Operating Officer of the Company w.e.f March 15, 2022*
*****Ms. Tarannum Bhanpurwala ceased to be the Company Secretary and Compliance Officer w.e.f March 7, 2022*

2. The percentage increase in the median remuneration of Employees for the FY was 7.40%.

3. The Company has 2,544 permanent Employees on the rolls of Company as on March 31, 2022.

4. Average increase made in the salaries of Employees other than the managerial personnel in the FY was 9.42%. In a post pandemic world, the work force dynamics and employee preferences are changing rapidly with companies facing a very competitive talent market. Metro Brands Limited has taken proactive reward and career related measures to ensure our talent feels valued and maintain our competitiveness.

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

Note:

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

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

Information as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Director's Report for the FY ended March 31, 2022

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

(A) Employed throughout the year and were in receipt of remuneration of not less than ₹1,02,00,000 per annum

S. No.	Employee Name	Designation	Remuneration Received (₹ in Lacs)	Qualification	Total Experience (in years)	Date of commencement of employment	Age (in years)	Last Employment
1	Mr. Rafique Abdul Malik	Chairman	760.1	B.Com, OPM Harvard, U.S.A.	53	January 19, 1977	72	Business
2	Ms. Farah Malik Bhanji	Managing Director	317.3	B.A, B.B.A. in Finance (USA),OPM Harvard, U.S.A. (Pursuing)	24	December 05, 2000	46	Business
3	Ms. Aziza Rafique Malik	President	226.2	B.com	33	January 02, 1986	72	Business
4	Mr. Nissan Joseph	Chief Executive Officer	191.0	MBA	23	July 01, 2021	57	Map Active Philippines
5	Mr. Rajgopal Narasimha Nayak	Chief Technology Officer	148.2	BE, PGDCAM	20	May 04, 2020	46	Marico Ltd
6	Mr. Kaushal Parekh	Chief Financial Officer	145.8	B.Com, CA, CS	19	March 28, 2012	43	Ernst & Young
7	Mr. Tajdin Mohamedali Gilani	Vice President - IT	109.4	B.Com, DFM, CAN	28	January 16, 1995	63	Kapol Co-Operative Bank Ltd
8	Mr. Aashish Dipak Mashruwala	Business Head	106.2	B.Sc, MDP	22	October 01, 2020	50	Ecco Shoes India Pvt Ltd
9	Ms. Alisha Malik	President-E-Commerce and CRM	89.8	B.A. (Finance)	13	July 01, 2009	35	Business
10	Mr. Maulik Rajendra Desai	Business Head	72.7	MMM	22	April 22, 2019	47	Cross Word

(B) Employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹8,50,000 per month

S. No.	Employee Name	Designation	Remuneration Received (in ₹)	Qualification	Total Experience (in years)	Date of commencement of employment	Age (in years)	Last Employment
1	Mr. Sohel J. Kamdar	Chief Operating Officer	308.3	B.Com., A.C.A.	22	February 16, 2005	45	Tabisco Enterprises Ltd. (Tanzania)
2	Mr. Jayesh Laxmidas Dattani	Chief Commercial Officer	73.0	CA, CS	28	May 01, 2020	51	Art Capital (I) Pvt Ltd

Notes:

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

b) Except Ms. Aziza Malik who is wife of Mr. Rafique A. Malik, Chairman and mother of Ms. Farah Malik Bhanji, Managing Director holding 7.33% of Equity Shares of the Company along with her spouse, and Ms. Alisha Malik, who is daughter of Mr. Rafique A. Malik, Chairman and sister of Ms. Farah Malik Bhanji, Managing Director holding 3.35% of Equity Shares of the Company, none of the employees mentioned above, are relatives of any Directors of the Company, or hold, either by himself or along with his spouse and dependent children, 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ANNEXURE 2 – TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities

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

1. Brief outline on CSR Policy of the Company - Through CSR, your Company intends to serve the interests of the society by taking responsibility for the impact of all its activities on customers, employees, shareholders, communities, and the environment in all aspects of our operations. For your Company, CSR is not about just giving back randomly but about bringing benefits to all its stakeholders who are in need, including the environment, and community at large. To achieve this, in the current year we have strengthened our internal CSR team and have prepared a roadmap for engaging in the overall CSR activities as mentioned in the schedule VII of the the Act including but not limited to environment conservation, skilling and upliftment of cobbler community and railway station-based shoe-shiners at large.

   The objective of the CSR policy is to provide an appropriate roadmap and formulate the procedure and criteria for the Company to participate in organized and transparent manner in the CSR activities within the country while recognizing the interest of all its stakeholders and thereby support in building / strengthening the nation for the coming future. Stakeholders may find the CSR Policy at: www.metrobrands.com. The Board in its meeting held on May 20, 2022 changed the nomenclature of CSR Committee to Corporate Social Responsibility & Sustainability Committee to align with SEBI new framework effective April 1, 2022 dealing with Business Responsibility and Sustainability Reporting.

2. Composition of CSR Committee:

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

** CSR Committee was reconstituted on March 7, 2022 wherein Mr. Rafique Malik ceased to act as Chairman and Member of the Committee and Ms. Farah Malik Bhanji was appointed as a Chairperson and Member of the Committee.*
*** Mr. Srikanth Velamakanni was appointed as Member of CSR Committee wef March 7, 2022.*

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

   CSR Policy and CSR projects - www.metrobrands.com

   Composition of CSR committee - www.metrobrands.com

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**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
		NIL	

6. Average net profit of the Company as per section 135(5). ₹ **16,187.79 Lakhs**

7. (a) Two percent of average net profit of the Company as per section 135(5) – ₹ **323.76 Lakhs**

   (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). ₹ **323.76 Lakhs**

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

Total Amount Spent for the Financial Year. (₹ In Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (₹ In Lakhs)	Date of transfer.	Name of the Fund	Amount. (₹ In Lakhs)	Date of transfer.
267.75	35.52	April 30, 2022		Nil	

Note: Unspent CSR amount for the FY 2021-22 was 56.12 lakhs out of which in the month of April 2022, ₹ 20.61 lakhs were spent on CSR activities and remaining balance of ₹ 35.52 lakhs was transferred to Unspent CSR Account.

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

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (₹ in Lakhs.)	Amount spent in the current financial Year (₹ in Lakhs.)	Amount Spent during April 2022 pertaining to FY 21-22 (₹ in Lakhs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State.	District							Name	CSR Registration number
1	Supporting Railway Station based shoe shiners	Eradication of poverty	Yes	Maharashtra	Mumbai	Ongoing	20.07	0.59	11.8	7.68	Yes	Sociallab Ventures Pvt Ltd	Not applicable
2	Co-processing discarded footwear in Eco-Friendly manner.	Climate action	Yes	Maharashtra	Mumbai	Ongoing	18.75	6.25	0	12.5	Yes	Aasra Welfare Association	Not applicable
3	To provide on the job training to youth under NAP scheme promoted by GOI	Eradication of poverty	Yes	Maharashtra	Mumbai	Ongoing	59.7	50.89	8.81	0	Yes	Direct implementation	
4	To provide access to quality education to under privileged girl children	Education	No	Gujarat	Bharuch	Ongoing	27	13.5	0	13.5	No	K. C Mahindra Education Trust	CSR00000511
5	To fund treatment cost of equally weaker section patients	Good Health and Well Being.	Yes	Maharashtra	Mumbai	Ongoing	15	13.16	0	1.84	No	Prince Aly Khan Hospital	CSR00005415
	Total						**140.52**	**84.39**	**20.61**	**35.52**			

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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Amount spent for the project (₹ in Lakhs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency. State. District.	
				State.	District.			Name	CSR Registration number.
1.	To transform learning, teaching, and leading school improvement in Bihar	Education	No	Bihar	Ranchi	10.00	No	Mantra Social Services	CSR00000796
2.	Hospital Project	Good Health and Well Being.	Yes	Maharashtra	Mumbai	10.00	No	Cancare Trust	CSR00001147
3.	To develop leadership skills in underserved adolescents.	Education	Yes	Maharashtra	Mumbai	20.00	No	Pragatee Foundation - Enabling Leadership	CSR00002852
4.	Educating needy girl children	Education	Yes	Maharashtra	Mumbai	28.10	No	Fidai Girls Educational Institute	CSR00008304
5.	To refurbishment of disposed, discarded footwear and distribution to needy students	Climate action	No	Odisha	Kandhamal	24.88	No	Greensole Foundation	CSR00003279
6.	Provided job training to youth under NEEM scheme promoted by GOI	Eradication of poverty	Yes	Maharashtra	Mumbai	60.33	No	TeamLease Education Foundation	CSR00001676
7.	Build Leadership skills in Social Entrepreneurs	Education	Yes	Maharashtra	Mumbai	17.30	No	Social Entrepreneurs Foundation India, Brand Name: UnLtd India	CSR00001257
	Total					**170.61**			

(d) Amount spent in Administrative Overheads – ₹ **12.75 lacs**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ **267.75 Lakhs**

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

Sl. No.	Particular	Amount (₹ In Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	323.76
ii.	Total amount spent for the Financial Year	267.75
iii.	Excess amount spent for the financial year [(ii)-(i)]	NIL
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)]	NIL

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs.)	Amount spent in the reporting Financial Year (₹ in lakhs.).	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 lakhs.)
				Name of the Fund	Amount (₹ in lakhs.).	Date of transfer.	
1	2020-21	58.19	24.57	PM Cares Fund	33.62	29.09.2021	NIL

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

Sl. No.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1	Ekatvam Plastic Recycling Services	2020-2021	Ongoing	21.04	21.04	21.04	Completed
2	Greensole Foundation	2020-2021	Ongoing	11.94	11.94	11.94	Completed
3	Inali Foundation	2020-2021	Ongoing	13.00	13.00	13.00	Completed
4	Prince Aly Khan Hospital	2020-2021	Ongoing	2.50	2.50	2.50	Completed
	Total				**48.48**		

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). – **Not Applicable**

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

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

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

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

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**

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

Rafique A. Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: July 29, 2022

ANNEXURE 3 – TO THE DIRECTORS' REPORT

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

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

A. Conservation of Energy:

The Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented. The Company has been using energy efficient LED lights in the showrooms which are very effective in power saving. The Company has also started installing energy efficient VRF Inverter based Air-conditioning systems in the Showrooms. These systems are comparatively costly however provide substantial saving in terms of monthly energy costs. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

Based on our commitment, Company has installed rooftop solar system at the Company's warehouse located at Bhiwandi – The Company has switched to renewable energy sources than to depend on non-renewable ones. The Company has installed solar projects as detailed hereunder at both of its warehouses at Bhiwandi.

No.	Warehouse	Project capacity	Commissioned on	Solar power generated till March 2022	Equivalent trees planted
1	Old	110 KW	June 10, 2020	175 MWh	2053
2	New	130 KW	November 19, 2021	46 MWh	130

B. Technology Absorption:

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

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

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

C. Foreign Exchange Earnings / Outgo:

(₹ in Lacs) Particulars	2021-22	2020-21
Foreign Exchange Earnings		
Sale of Footwear and Accessories	NIL	NIL
Foreign Exchange Outgo		
a) Purchase of Footwear and Accessories	7,394.59	2,269.55
b) Travelling & Other Expenses	NIL	NIL
c) Professional & Consultancy Fees	318.89	47.53

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

Rafique A. Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: July 29, 2022

ANNEXURE 4 – TO THE DIRECTORS' REPORT

Form AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES FOR THE YEAR ENDED MARCH 31, 2022.

(₹ in Lacs)

Part "A": Subsidiaries

1. Name of the Subsidiary Company: Metmill Footwear Private Limited
2. The date since when subsidiary was acquired: September 16, 2009
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: Not Applicable
5. Share capital: 125.00
6. Other Equity: 4485.74
7. Total assets: 5063.40
8. Total Liabilities: 5063.40
9. Investments: NIL
10. Turnover: 3497.46 (Net of GST)
11. Profit before taxation: 443.90
12. Provision for taxation: (1.03)
13. Profit after taxation: 444.93
14. Proposed Dividend: NIL
15. Percentage of shareholding: 51%

Notes:

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

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

(₹ in Lacs)

Part "B": Associates and Joint Ventures

1. Name of Associates or Joint Ventures: M.V. Shoe Care Private Limited
2. Latest audited Balance Sheet Date: March 31, 2022
3. Date on which the Associate or Joint Venture was associated or acquired: August 24, 2016
4. Shares of Associate or Joint Ventures held by the Company on the year end
    a. No. – 68,60,000
    b. Amount of Investment in Associates or Joint Venture – 488.00
    c. Extent of Holding (in percentage) – 49%
5. Description of how there is significant influence - Control of at least twenty per cent of total share capital
6. Reason why the associate/joint venture is not consolidated – Not Applicable
7. Net worth attributable to shareholding as per latest audited Balance Sheet – 937.38
8. Profit or Loss for the year (after other comprehensive income)
    a. Considered in Consolidation – 118.58
    b. Not Considered in Consolidation – 123.43

Note:

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

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

Rafique A. Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: July 29, 2022

ANNEXURE 5 – TO THE DIRECTORS' REPORT

Form No. AOC -2

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

For the year ended March 31, 2022

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Act including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SR No	Particulars	Details
1.	Name(s) of the related party and nature of relationship	NIL
2.	Nature of contracts/arrangements/transactions	
3.	Duration of the contracts/arrangements/transactions	
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
1.	Mr. Rafique A. Malik, Chairman	Payment of remuneration to Chairman	3 years with effect from April 1, 2020 to March 31, 2023	Payment of remuneration to Mr. Rafique A. Malik not exceeding ₹ 15 crores per annum	June 11, 2021	-
2.	Ms. Farah Malik Bhanji, Managing Director	Payment of remuneration to Managing Director	3 years with effect from April 1, 2020 to March 31, 2023	Payment of remuneration to Ms. Farah Malik Bhanji not exceeding ₹ 7 crores per annum	June 11, 2021	-
3.	Mr. Mohammed Iqbal Hasanally Dossani, Whole-time Director	Payment of remuneration to Whole-time Director	3 years with effect from April 1, 2020 to March 31, 2023	Payment of remuneration to Mr. Mohammed Iqbal Hasanally Dossani not exceeding ₹ 40 Lacs per annum	June 11, 2021	-
4.	Mr. Mohammed Iqbal Hasanally Dossani, Whole-time Director	Appointment of Whole-time Director (Key Managerial Personnel)	5 years with effect from June 25, 2021	Appointment of Key Managerial Personnel as per Section 2(51) of the Act on a remuneration not exceeding ₹ 40 Lacs per annum, with annual increment as per the Companies policy or as may be decided by the Board of Directors / Nomination, Remuneration and Compensation Committee	June 25, 2021	-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
5.	Mr. Rafique A. Malik, Chairman	Renewal of appointment of Mr. Rafique A. Malik, Chairman	5 years with effect from April 1, 2022	Renewal of appointment pursuant to the provisions of Section 197, 203 read with Schedule V of the Act on a remuneration not exceeding ₹ 15 Crores per annum	June 25, 2021	-
6.	Ms. Farah Malik Bhanji, Managing Director	Renewal of appointment of Ms. Farah Malik Bhanji	5 years with effect from April 1, 2022	Renewal of appointment pursuant to the provisions of Section 197, 203 read with Schedule V of the Act on a remuneration not exceeding ₹ 7 Crores per annum	June 25, 2021	-
7.	Mr. Rafique A. Malik, Chairman, Ms. Farah Malik Bhanji, Managing Director, and Ms. Alisha Malik, President, E-Commerce and CRM Ms. Alisha Malik, Mr. Rafique Malik and Ms. Farah Malik Bhanji are relatives of each other.	Identification of Promoters of Company	-	Identification of Promoters as per Section 2(69) of Act	June 25, 2021	-
8.	M/s.MetroShoes, Proprietorship of Mr. Rafique A. Malik, Chairman	Concession Agreement with M/s. Metro Shoes, related party	As per terms of agreement		June 25, 2021	-
9.	Ms. Aziza Malik, President Ms. Aziza Malik, Mr. Rafique Malik and Ms. Farah Malik Bhanji are relatives of each other.	Payment of remuneration to Aziza Malik	3 years with effect from November 26, 2020 to November 25, 2023	Payment of remuneration to Ms. Aziza Malik, on a remuneration not exceeding ₹ 2.17 Crores per annum	June 25, 2021	-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
10.	M/s. Metmill Footwear Private Limited, Subsidiary Company	Standing facility of loan to Metmill Footwear Private Limited, Subsidiary Company	As per agreement	Standing facility of Loan to Metmill Footwear Private Limited (Metmill), Subsidiary Company Amount: not exceeding ₹ 5 Crore, Purpose: for business purpose Period: until terminated Rate of Interest: 12 – 15% p.a.,	June 25, 2021	-
11.	Mr. Rakesh Jhunjhunwala, Investor, holds together with his relatives and Trusts 14.50% shareholding of our Company	Provide strategic & business advisory and other Services	5 years from the Effective Date which shall be further extended for same period on the same terms and conditions.	Mr. Rakesh Jhunjhunwala will provide strategic & business advisory and other Services as detailed in the Agreement in consideration of ₹ 1/- per annum as Fees plus out of pocket expenses on actuals and. The agreement can be terminated by mutual consent.	January 15, 2022	-
12.	M/s. Metro Family Holdings, Proprietorship of Mr. Rafique A. Malik, Chairman	Sale of Office Space	One time activity	• The sale consideration is ₹ 4,41,00,000/- (Rupees Four Crore Forty One Lakh only) as per the valuation report submitted by RBSA Advisors, an independent transaction advisory firm. • Entire consideration by M/s Metro Family Holdings on or before execution of Sale Deed. • Entire cost of stamp duty & registration costs for Sale Deed borne by M/s Metro Family Holdings. • Transfer fees shared by both the parties equally.	March 07, 2022	-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
13.	Mrs. Aziza R. Malik, and Mr. Rafique A. Malik, Chairman of the Company Ms. Aziza Malik, Mr. Rafique Malik and Ms. Farah Malik Bhanji are relatives of each other.	Concession Agreement between the Company & related parties	10 years from April 1, 2022 to March 31, 2032	For Metro Shoes Shop situated at Linking Road, Bandra West, Mumbai 400050. Consideration: The Company shall pay the following to the Owners: • Commission @ 13% on Net Sales & @ 8% on Reduction Net Sales. • 2% Net Sales towards Electricity charges. • If the amount of electricity charges exceeds 2% of Net Sales, the same will be borne by the Company.	March 28, 2022	-
14.	M/s. Design Matrix Interiors LLP – Associate Company Mr. Suleiman Bhanji is the Husband of Ms. Farah Malik Bhanji, Managing Director of the Company.	Renewal of Omnibus approval for Related Party Transactions	1 year (Apr22 – Mar23)	Renewal of Omnibus approval for Related Party Transactions on Annual Basis 1. Nature of the transaction: Consultancy services with respect to the fitout work for Showrooms 2. Maximum amount per transaction: ₹ 10 Lakhs, plus taxes per Showroom 3. Maximum Value of transactions, in aggregate: ₹ 8 Crores, plus taxes	March 07, 2022	-
15.	M/s. Metmill Footwear Private Limited - Subsidiary Company	Renewal of Omnibus approval for Related Party Transactions	1 year (Apr22 – Mar23)	Renewal of Omnibus approval for Related Party Transactions on Annual Basis 1. Nature of the transaction: Purchase of goods 2. Maximum amount per transaction: ₹ 15 Lakhs, plus taxes per transaction 3. Maximum Value of transactions, in aggregate: ₹ 20 Crores, plus taxes	March 07, 2022	-

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
16.	M.V. Shoe Care Private Limited, JV Company	Renewal of Omnibus approval for Related Party Transactions	1 year (Apr22 – Mar23)	Renewal of Omnibus approval for Related Party Transactions on Annual Basis 1. Nature of the transaction: Purchase of goods 2. Maximum amount per transaction: ₹ 15 Lakhs, plus taxes per transaction 3. Maximum Value of transactions, in aggregate: ₹ 25 Crores, plus taxes.	March 07, 2022	-

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

Rafique A. Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: July 29, 2022

ANNEXURE 6 – TO THE DIRECTORS' REPORT

MR - 3 Secretarial Audit Report

For the year ended March 31, 2022

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the financial year ended March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) The Listing Agreements entered into by the Company with NSE and BSE.

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

I further report that

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

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

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

I further report that based on compliance mechanism established by the Company and on the basis of compliance certificates issued by the Compliance Officer and taken on record by the Board of Directors, prima facie 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. Also, as informed, the Company has responded appropriately to notices received from various statutory authorities / regulatory authorities including initiating actions for corrective measures, where found necessary.

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

a) The Company's Employee Stock Option Plan entitled "Metro Stock Option Plan 2008" was amended twice with the approval of the shareholders by way of special resolution passed on -

   i. August 5, 2021 in an extra-ordinary general meeting to comply with the requirements of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and

   ii. September 23, 2021 in an extra-ordinary general meeting to conform and comply with the requirements of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

b) The Company adopted a new set of Articles of Association with the approval of the shareholders by way of special resolution passed in an extra-ordinary general meeting on August 5, 2021 to conform to the requirements of listing with the Stock Exchanges.

c) In consultation with the Book Running Lead Managers appointed for the purpose of an Initial Public Offer (IPO), the Company after obtaining the necessary enabling approvals from its members in the Extra-Ordinary General Meeting held on October 29, 2021 and in compliance of the provisions of Section 62 and other applicable provisions of the Companies Act, 2013 made a private placement of 73,136 Equity Shares for a consideration of ₹ 3.29 Crores, allotment in respect of which was made on November 3, 2021.

d) Pursuant to the enabling approvals obtained by the Company from its members in the Extra-ordinary General Meeting of the Company held on March 30, 2021 to allot for cash the Equity Shares for a consideration of up to ₹800 Crores as may be decided pursuant to a fresh issue (the "Fresh Issue") together with an offer for sale by certain existing shareholders of the Company (the "Offer for Sale"), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure) Regulations, 2018 (SEBI ICDR Regulations); the Company has successfully completed the fresh issue of 59,00,000 Equity Shares and the Offer for Sale of 21,450,100 Equity shares, with the new equity shares pursuant to the Fresh Issue being allotted on December 18, 2021 and being listed on the BSE and NSE on December 22, 2021.

A. Sekar
Company Secretary
ACS 8649 CP 2450
UDIN: A008649D000357571

Place: Mumbai
Date: May 20, 2022

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

'Annexure A'

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

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

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

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

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

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

A. Sekar
Company Secretary
ACS 8649 CP 2450
UDIN: A008649D000357571

Place: Mumbai
Date: May 20, 2022

ANNEXURE 7 – TO THE DIRECTORS' REPORT

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L19200MH1977PLC019449
2	Name of the Company	Metro Brands Limited
3	Registered address	401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070
4	Website	www.metrobrands.com
5	E-mail id	Investor.relations@metrobrands.com
6	Financial Year reported	2021-2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	47713
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Specialty footwear, bags, accessories
9	Total number of locations where business activity is undertaken by the Company	Head office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070, India Warehouses: 1. D2/D3, Bhagwan Sheth Estate, Next to Arihant Commercial Complex, Opp. Bata Warehouse, Purna Village, Bhiwandi, Thane – 421302, Maharashtra, India. 2. B9/C9, Bhagwan Sheth Estate, Next to Arihant Commercial Complex, Purna Village, Bhiwandi, Thane. Stores: The Company has 624 stores spread across 30 states and union territories.
10	Markets served by the Company – Local/State/ National/International	The Company primarily caters to only Indian market.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	13,575.37 lakhs
2	Total Turnover (INR)	134,293.05 lakhs
3	Total profit after taxes (INR)	21,419.65 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.57%
5	List of activities in which expenditure in 4 above has been incurred: -	See table below

No	Theme	No. of projects	₹ in lacs
1	Education	7	222.42
2	Environment	2	43.63
3	Social	1	20.07
4	Health	2	25.00
	Admin cost		12.75
	Total	**12**	**323.87**

This includes the unspent amount pertaining to 5 ongoing projects of FY 21-22 amounting to ₹56.13 lacs, which has been transferred to the Unspent account and will be utilized in the current year

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, Metmill Footwear Private Limited
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)	Metmill Footwear Private Limited, subsidiary company conducts its CSR activity separately through implementing agency. In the Financial Year 2021-22, the Company has spent ₹ 11.50 Lakhs through Motiba Memorial Seva Samaj Trust, an implementing agency, towards promoting healthcare including preventive healthcare by providing medical assistance to the needy.
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? [Less than 30%, 30-60%, More than 60%]	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	
	1. DIN Number	08908594
	2. Name	Mohammed Iqbal Hasanally Dossani
	3. Designation	Whole-Time Director
B	Details of the BR head	
	1. DIN Number (if applicable)	N.A
	2. Name	Aziz Fidai
	3. Designation	DGM - CSR & Process Assurance
	4. Telephone number	9819969501
	5. e-mail id	aziz.fidai@metrobrands.com

2. Principle-wise (as per NVGs) BR Policy/policies

a. Details of compliance (Reply in Y/N)

No	Questions	Business Ethics	Product Responsibility	Employee well being	Stake holder engagement	Human rights	Environment	Public policy	CSR	Customer relation
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
		*All the policies have been developed in consultation with the management of the Company and Board and/or its committees as applicable.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		*The policies generally comply with the basic laws of the nation, general business standards, fair trade practices and good corporate governance.								
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

No	Questions	Business Ethics	Product Responsibility	Employee well being	Stake holder engagement	Human rights	Environment	Public policy	CSR	Customer relation
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?	The policies which are mandatorily required to be uploaded on the website are available at the website of the Company **www.metrobrands.com**. Some of the policies which pertain to the employees of the Company are available on intranet								
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
		Internal Audit team evaluates the policies on regular basis.								

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) – Not applicable

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 Board of Directors through its committee meet annually to review various aspect related to Business Responsibility.
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 Company has been listed on the Stock Exchanges on December 22, 2021, and hence the Company will be publishing its first Business Responsibility Report as a part of Annual Report for Financial Year 2021-22.

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. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?	The Company focuses on Corporate Governance. The Board of Directors of the Company have adopted various Policies, which are available on our website such as Code of Conduct, Whistle Blower Policy, and Ethics Policy. These policies are applicable to various parties such as the Board of Directors and senior management personnel, employees, business associates and suppliers, agent, distributor, or joint venture partner, etc. These policies are updated from time to time to align with changes in regulatory environment and to make it more inclusive and effective.
2	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.	The Company has been listed on the Stock Exchanges on December 22, 2021. There have been 38 Shareholder complaints received (since listing) pertaining to non-receipt of refund of application money in IPO in the financial year 2021-22 and all the complaints were satisfactorily resolved by the management. No complaints were received under Ethics Policy, Whistle Blower/Vigil Mechanism Policy and Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the 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.	As a leading footwear retailer, your Company has designed a couple of initiatives incorporating social and environmental concerns • **Solar power generation** – Your Company has installed solar projects at both of its warehouses to fulfil its electricity requirements. Through this initiative we generated 221 MWh of solar power thereby resulting in a cleaner environment and a decent amount of cash savings for your Company • **Eco-friendly disposal of old, discarded footwear (ODF)** – Company is running a project to co-process old, discarded footwear in an eco-friendly manner. Along with this activity, and footwear donations through agencies such as Greensoles Foundation, empowHER India and Rotary Club of Mumbai West, your Company was able to donate / recycle / co-process more than 1.89 lac footwear pairs • **Sustainable raw materials** – Company has developed a full range of footwear from eco-friendly raw materials such as merino wool, plastic pet bottles and come out with its sustainable and vegan product lines. in the name & style of tie-dye shoe collection in collaboration with PETA • **Recycled shoe boxes** – Being environment responsible, your Company procures boxes made only from recycled paper • **Natural resource conservation** – Through its trusted vendors, your Company has replaced natural rubber & leather with synthetic EVA (Ethylene Vinyl Acetate) in sole making & PU coated PVC in shoe upper making respectively, thereby contributing towards natural resource conservation.

2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): • Reduction during sourcing production/ distribution achieved since the previous year throughout the value chain? • Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Your Company is committed to conservation and optimal utilization of all resources. Towards this, it has taken following steps to reduce the consumption of energy, water & raw material: • **Sustainable raw materials** – The Company has developed a full range of footwear from eco-friendly raw materials such merino wool, plastic pet bottles and come out with its sustainable and vegan product lines in the name & style of tie-dye shoe collection in collaboration with PETA. • **Natural resource conservation** – Through its trusted vendors, your Company has replaced natural rubber & leather with synthetic EVA (Ethylene Vinyl Acetate) in sole making & PU coated PVC in shoe upper making respectively, thereby contributing towards natural resource conservation. • **Recycled shoe boxes** – Being an environment responsible, your Company procures boxes made only from recycled paper. • **Solar power generation** – Your Company has installed solar projects at its warehouses to fulfil its electricity requirements. Through this initiative we generated 221 MWh of solar power thereby resulting in a cleaner environment and a decent amount of cash savings for your Company.
3	Does the company have procedures in place for sustainable sourcing (including transportation)? • If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so	Yes, your Company, over the years, has worked towards embedding sustainability throughout its inbound supply chain and will continue to do so. Around, 45% of the MSME vendors (comprising of 74% of value of the total purchase value from small vendors) are from within Maharashtra, thus putting minimum strain on environment due to less transportation.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? • If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes. The Company has taken necessary steps to procure goods and services from the local and small producers surrounding its head office & warehouses and enhancing their capabilities for a sustainable growth. The Company always prefers to procure goods and services, e.g., finished goods supplies, security / housekeeping / loading-unloading operations, etc. from nearby suitable source of supply. It treats its local, small vendors as business partners by closely interacting with them for quality improvement, waste reduction and in taking cost savings initiatives.
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	Yes. The Company has introduced some mechanisms to recycle and reduce waste. Such initiatives of the Company include the following: • E-waste is being recycled in an eco-friendly manner through a registered recycler. • We are running a pilot project to co-process old, discarded footwear in an eco-friendly manner.

Principle 3: Businesses should promote the wellbeing of all employees

1	Please indicate the Total number of employees	Number of employees as on March 31, 2022 is 3,980 Including those on payroll, contract, apprentice etc.
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis	Number of Temporary / Contractual / Casual employees as on March 31, 2022, is 415
3	Please indicate the Number of permanent women employees	136
4	Please indicate the Number of permanent employees with disabilities	There are 3 permanent employees with disabilities.
5	Do you have an employee association that is recognized by management	No, your Company does not have any employee association that is recognized by management
6	What percentage of your permanent employees is members of this recognized employee association?	Not applicable
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 • Child labour / forced labour / involuntary labour • Sexual harassment • Discriminatory employment	No Cases Reported
8	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual / Temporary / Contractual Employees (d) Employees with Disabilities	a. Permanent Employees: 846 b. Permanent Women Employees: 41 c. Casual/Temporary/Contractual Employees:749 d. Employees with Disabilities:0 e. Apprentice: 543 Total: 2179 Percentage of employees trained 54.66%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1	Has the company mapped its internal and external stakeholders? Yes/No	Your Company defines internal and external stakeholders as - ‘Internal stakeholders are people whose interest in a company comes through a direct relationship. External stakeholders are those who do not directly work with a company but are affected somehow by the actions and outcomes of the business either positively or negatively’. Accordingly, your Company has mapped both internal and external stakeholders as below and is committed towards understanding & addressing their concerns strategically: a. Customers b. Employees c. Business Partners/ Associates d. Vendors e. Shareholders f. Regulatory Authorities/ Local Bodies

<table>
<tr><td>2</td><td>Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders</td><td>Yes, your Company has identified underserved communities in the vicinity of the showroom locations as most vulnerable external stakeholders. We have run various initiatives covering Education, Health, and Environment. Further, during the Financial Year, Company also focused on Covid-19 relief activities during the nationwide lockdown.</td></tr>
<tr><td>3</td><td>Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so</td><td>
<u>Initiatives impacting environment:</u>
<table>
<tr><th>Partner</th><th>Project details</th></tr>
<tr><td>Greensole Foundation</td><td>Upcycled footwear for underprivileged children</td></tr>
<tr><td>Aasra Welfare Association</td><td>Recycling of old, discarded, footwear</td></tr>
</table>
<u>Initiatives around Health:</u>
<table>
<tr><th>Partner</th><th>Project details</th></tr>
<tr><td>Cancare Trust</td><td>CAPEX for Cancer Hospital</td></tr>
<tr><td>PAKH</td><td>Funding Treatment cost of EWS patients</td></tr>
</table>
<u>Initiatives around People:</u>
<table>
<tr><th>Partner</th><th>Project details</th></tr>
<tr><td>Mantra4Change</td><td>Mission Vriddhi. Strengthening DIET - District Institute of Education and Training and improving FLN - Foundational Literacy and Numeracy</td></tr>
<tr><td>Nanhi Kali</td><td>Education support for Girls</td></tr>
<tr><td>Enabling Leadership</td><td>Leadership skills for underprivileged children</td></tr>
<tr><td>UnLtd India</td><td>Leadership skills for social entrepreneurs</td></tr>
<tr><td>TeamLease – NEEM</td><td>Apprenticeship support for the unorganized sector</td></tr>
<tr><td>Direct implementation of NAPS</td><td>Apprenticeship support for the unorganized sector</td></tr>
<tr><td>Fidai Girls Education Institute</td><td>Education support for Girls</td></tr>
<tr><td>Sociallab Ventures Pvt Ltd (TSL)</td><td>Empowering Shoe Shiners</td></tr>
</table>
Each CSR Project impact discussed in detail in Principle 8, point number 1
</td></tr>
</table>

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?	Yes, the Company's Ethics Policy covers the aspects of Human Rights and is made applicable to employees, directors, business associates and suppliers.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	During the Financial Year 2021-22, the Company has not received any complaints relating to human rights violation from stakeholders in this respect.

Principle 6: Business should respect, protect, and make efforts to restore the environment

<table>
<tr><td>1</td><td>Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers /Contractors/ NGOs/others</td><td>Policy pertaining to Principle 6 extend only to the Company.</td></tr>
<tr><td>2</td><td>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</td><td>The Company has started taking various steps towards reduction of GHG emission in its power generation, waste management and procurement processes to reduce the concerns relating to the global warming.
• Solar power generation – Your Company has installed solar projects at its warehouses to fulfil its electricity requirements. Through this initiative 221 MWh of solar power has been generated thereby resulting in a cleaner environment and a decent amount of cash savings for your Company.
• Eco-friendly disposal of old, discarded footwear – Company is running a small pilot project to co-process old, discarded footwear in an eco-friendly manner.
• Sustainable raw materials – Company has developed a full range of footwear from eco-friendly raw materials such merino wool, plastic pet bottles and has also come out with its sustainable and vegan product lines in the name & style of tie-dye shoe collection in collaboration with PETA.
• Natural resource conservation – Through its trusted vendors, your Company has replaced natural rubber & leather with synthetic EVA (Ethylene Vinyl Acetate) in sole making & PU coated PVC in shoe upper making respectively, thereby contributing towards natural resource conservation.</td></tr>
<tr><td>3</td><td>Does the company identify and assess potential environmental risks? Y/N</td><td>Your Company is not into direct manufacturing, as such as of now, it has not identified and assessed any potential environmental risks.</td></tr>
<tr><td>4</td><td>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?</td><td>Your company has two warehouses at Bhiwandi, in Maharashtra state where footwear and accessories are stored, quality checked, and shipped to its various showrooms. For its electricity requirements, solar projects as under have been installed:
<table>
<tr><th>Ware house</th><th>Project capacity</th><th>Commissioned on</th><th>Solar power generated till March 2022</th></tr>
<tr><td>Old</td><td>110 KW</td><td>June 10, 2020</td><td>175 MWh</td></tr>
<tr><td>New</td><td>130 KW</td><td>November 19, 2021</td><td>46 MWh</td></tr>
</table></td></tr>
<tr><td>5</td><td>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.</td><td>Your Company has two warehouses at Bhiwandi, Maharashtra where footwear and accessories are stored, checked, and shipped to its various showrooms. For its electricity requirements, solar projects as under have been installed:
<table>
<tr><th>Ware house</th><th>Project capacity</th><th>Commissioned on</th><th>Solar power generated till March 2022</th></tr>
<tr><td>Old</td><td>110 KW</td><td>June 10, 2020</td><td>175 MWh</td></tr>
<tr><td>New</td><td>130 KW</td><td>November 19, 2021</td><td>46 MWh</td></tr>
</table></td></tr>
</table>

6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable, as your Company is not into direct manufacturing of footwear and accessories
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	The Company has not received any show cause/ legal notices 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 believes in rallying together their people and resources to improve the society's quality of life which enhances the way organization interacts with the society which leads to a sustainable growth. The Company is associated with the following organization in this regard: 1. Retailers Association of India (RAI) 2. The Council for Leather Exports (CLE) 3. Confederation of Indian Industry (CII) 4. AIFMRA - All India Footwear Manufacturers and Retailers Association
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)	The Company through its representatives actively participates in the forums on issues and policy matters that impact the interest of Footwear Industry and retail sector. The Company prefers to be part of the improvement and advancement of these sectors which helps to boost the growth of the industry.

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.

Yes, the CSR initiatives of the Company ensures its commitment to operate in an economically, socially, and environmentally sustainable manner, in the best interest of all the stakeholders. The theme-wise allocation is as under

	Theme	Partner	Project details
1	Environment	Greensole Foundation	Your Company distributed 12,500 recycled footwear pairs made from old, discarded footwear to the less fortunate rural school children from the states of Gujarat and Odisha.
2	Environment	Aasra Welfare Association	Once implemented, this project would have disposed of 300 tons of old, discarded footwear in an eco-friendly manner i.e around 5-6 lac discarded footwear pairs (around 8% of our sales) and saved them from lying in the landfills and or oceans for 100s of years.

	Theme	Partner	Project details
3	Education	Mantra4Change	Our project stresses on Strengthening DIETs (District Institutes of Education and Training) and Improving FLN (Foundational Literacy and Numeracy). Once implemented, within a period of 5 years, Mission Vriddhi would transform learning, teaching, and leading school improvement in Bihar.
4	Education	Nanhi Kali	Through Nanhi Kali, for one year, your Company sponsored 500 underprivileged girls from Bharuch, Gujarat, provided them access to quality education and an opportunity to complete schooling with dignity.
5	Education	Enabling Leadership	For one year, your Company sponsored 230 underserved adolescents to develop leadership skills in them through football, with a focus on breaking gender stereotypes, gender mainstreaming and equipping these children with life skills to be problem solvers and role models.
6	Education	UnLtd India	Through this project, your Company supported 32 Social Entrepreneurs to grow in their leadership skills through incubation support, immersive residential workshops, capacity building and to increase the network of their supporters.
7	Education	TeamLease - NEEM	Your Company is supporting around 150 trainees (unemployed youth) by providing them practical exposure through on-the-job training at the Company, thus enhancing their skills and making them employable.
8	Education	Direct implementation of NAPS	Your Company is supporting around 150 trainees (unemployed youth) by providing them practical exposure through on-the-job training at the Company, thus enhancing their skills and making them employable
9	Education	Fidai Girls Education Institute	This year your Company supported food as well as education cost of 80 children of under privileged families of Maharashtra and Gujarat region by providing them an environment to excel in their academic life.
10	Healthcare	Cancare Trust	This project's focus will be to excel in service, education and research in Head and Neck Cancer. And to offer state-of-the-art comprehensive treatment and rehabilitation at affordable prices.
11	Healthcare	PAKH	During the current year, your Company supported in funding the medical treatment cost of five economically weaker section (EWS) patients suffering from critical illnesses.
12	Social	Sociallab Ventures Pvt Ltd (TSL)	Through this project, your Company is proposing to empower 150 Mumbai Railway Station based Shoe Shiners covering the aspects of their Livelihood, Healthcare, and Financial Literacy.

2	Are the programmes /projects undertaken through in-house team /own foundation/ external NGO / government structures/any other organization?	The Company's CSR activities are undertaken by an internal team. The Company partners with Nongovernmental Organizations (NGOs), and well-known Corporate Bodies under direct implementation mode for design and implementation of selected projects. Out of 12 CSR projects which your Company has undertaken, 3 projects are implemented under direct mode and the rest 9 were implemented through external NGO partners.
3	Have you done any impact assessment of your initiative?	Monitoring and evaluation of CSR projects is a continuous process at your Company. Your Company receives project progress reports at regular intervals as mentioned in our project sanction letters. This helps to monitor and improve the quality of the project, do any course corrections if required and achieve maximum results to ensure desired benefits to the stakeholders However, since your Company's CSR budget is below ₹ 10 crores, impact assessments from third party external agency were not required.

4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken				

	Theme	Partner	Project details	Sanction Amt in ₹/Lacs
1	Environment	Greensole Foundation	Upcycled footwear for underprivileged children	24.88
2	Environment	Aasra Welfare Association	Recycling of old, discarded, footwear	18.75
3	Education	Mantra4Change	Mission Vriddhi. Strengthening DIET and improving FLN	10.00
4	Education	Nanhi Kali	Education support for Girls	27.00
5	Education	Enabling Leadership	Leadership skills for underprivileged children	20.00
6	Education	UnLtd India	Leadership skills for social entrepreneurs	17.30
7	Education	TeamLease - NEEM	Apprenticeship support for the unorganized sector	60.33
8	Education	Direct implementation of NAPS	Apprenticeship support for the unorganized sector	59.69
9	Education	Fidai Girls Education Institute	Education support for Girls	28.10
10	Healthcare	Cancare Trust	CAPEX for Cancer Hospital	10.00
11	Healthcare	PAKH	Funding Treatment cost of EWS patients	15.00
12	Social	Sociallab Ventures Pvt Ltd (TSL)	Empowering Shoe Shiners	20.07
	Admin cost			12.75
	Total amount spent against our CSR Budget of ₹ 323.76 lacs			323.87
	This includes the unspent amount pertaining to 5 ongoing projects of FY 21-22 amounting to ₹56.13 lacs, which has been transferred to the Unspent account and will be utilized in the current year			

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	Your Company is running a couple of pilot projects as under • To recycle old, discarded footwear in an eco-friendly manner. • To provide on the job trainings to the unemployed youth thereby increasing their employability quotient. • To empower shoe-shiners as well as cobbler communities. Depending upon the results / impact of these pilot projects and available funds, your Company will explore to get these projects successfully adopted by the communities around.

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	A well-established mechanism is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed, and all efforts are taken to resolve the same. We received five consumer court cases in the last Financial Year 2021-22 which are at various stages. The nature of the cases filed against the Company were for replacements or refunds.

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)	The Company displays all information as mandated by the statutory regulations to ensure full compliance with relevant laws.
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 case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during last five years.
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, your Company has introduced a Customer Feedback Mechanism to capture feedback from customers on their shopping experience and measuring it on the scale of 1 to 5. The lowest rating being 1 and 5 being the best. More than 98% customers gave the rating of 3 & above. The Company has started an initiative to close loop of customers who give dis-satisfactory feedback by calling them and addressing / resolving their queries

ANNEXURE 8 – TO THE DIRECTORS' REPORT

Corporate Governance Report

Your Directors are pleased to present your Company's Report on Corporate Governance for the FY ended March 31, 2022, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('SEBI Listing Regulations"). Corporate Governance is the interaction of the Management, Members and the Board of Directors to ensure that all Stakeholders are protected in their sole interest.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth-generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations.

We are committed to defining, following and practicing the highest level of Corporate governance across all our business functions. Your Company's Corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the Executive management team and constitution of the Board committees, as required under law. The Company is committed in its responsibility towards the community and environment in which it operates, towards its employees and business partners and towards the society in general.

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

2. BOARD OF DIRECTORS ("BOARD")

The Company recognizes the importance of a diverse Board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the stakeholders. Accordingly, to oversee the same, competent, qualified, skilled, experienced, and eminent personalities from diverse spheres have been selected as members of the Board.

2.1 Composition and category of Directors

The Board of your Company comprises highly experienced persons of repute and eminence. The Board has a good and diverse mix of Executive and Non-Executive Directors with majority being Independent Directors including an Independent Women Director. The Board composition is in conformity with the provisions of Section 149 of the Act and Regulation 17 of SEBI Listing Regulations. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements.

As on March 31, 2022, the Board consists of nine (9) Directors comprising three (3) Executive Directors (including Chairman and Managing Director), one (1) Non–Executive Nominee Director and five (5) Independent Directors. Two Directors on the Board are women directors. The day-to-day management of affairs of the Company is managed by the Senior Management which includes Chairman, Managing Director, Whole-Time Director, CEO and functional heads, who function under overall supervision and guidance of Board. The Board plays the primary role as the trustees to safeguard and enhance stakeholders' value through their effective decisions and supervision. The profile of the Directors can be accessed on the Company's website at www.metrobrands.com.

The details of each member of the Board and their shareholding as on March 31, 2022 is given below:

Name	DIN	Category	Number of shares held as at March 31, 2022
Mr. Rafique Abdul Malik *	00521563	Chairman	27,00,000
Ms. Farah Malik Bhanji**	00530676	Managing Director	51,24,000
Mr. Mohammed Iqbal Hasanally Dossani	08908594	Whole time Director	1,460
Mr. Utpal Hemendra Sheth	00081012	Non-Executive Nominee Director	Nil
Mr. Manoj Kumar Madangopal Maheshwari	00012341	Non-Executive Independent Director	Nil
Ms. Aruna Bhagwan Advani	00029256	Non-Executive Independent Director	Nil
Mr. Arvind Kumar Singhal	00709084	Non-Executive Independent Director	Nil
Mr. Vikas Vijaykumar Khemani	00065941	Non-Executive Independent Director	Nil
Mr. Srikanth Velamakanni	01722758	Non-Executive Independent Director	Nil

**Mr. Rafique Abdul Malik holds 39,69,000 Equity Shares of ₹ 5/- each as a Trustee of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust & Sabina Malik Family Trust aggregating to 1,58,76,000 Equity Shares of ₹ 5/- each.*
*** Ms. Farah Malik Bhanji holds 7,64,47,600 Equity Shares of ₹ 5/- each as a Trustee of Aziza Malik Family Trust and 7,53,67,920 Equity Shares of ₹ 5/- each as a Trustee of Rafique Malik Family Trust aggregating to 15,18,15,520 Equity Shares of ₹ 5/- each.*

2.2 Attendance of the Directors at meetings and their memberships in other Board & Committees

The Company adheres to the provisions of the Act, Secretarial Standards and SEBI Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the FY 2021-22, ten (10) Board Meetings were held in compliance with the various provisions of the Act/ SEBI Listing Regulations and the interval between two Meetings was well within the maximum period mentioned under Section 173 of the Act and the SEBI Listing Regulations.The Board Meetings were generally held at the registered office of the Company either through video conference or through physical presence. The necessary quorum was present for all the Meetings.

Attendance of each of the Director at the Board Meetings and the last Annual General Meeting (AGM) held during the FY 2021-22 and the number of directorships and committee memberships/ chairpersonships held by them in other companies are as given below:

Name of the Director	No. of Board Meetings attended during 2021-22	Whether attended last AGM held in 2021	No. of Directorships in other companies°	No. of committee positions held in other companies *	
				Chairperson	Member
Mr. Rafique Abdul Malik	10 of 10	Yes	2	1	4
Ms. Farah Malik Bhanji	10 of 10	Yes	-	-	-
Mr. Mohammed Iqbal Hasanally Dossani	10 of 10	Yes	-	-	-
Mr. Utpal Hemendra Sheth	10 of 10	No	5	-	1
Mr. ManojKumar Madangopal Maheshwari	9 of 10	No	2	-	1
Ms. Aruna Bhagwan Advani	9 of 10	No	1	-	1
Mr. Arvind Kumar Singhal	10 of 10	No	3	1	3
Mr. Vikas Vijaykumar Khemani	8 of 10	No	2	-	-
Mr. Srikanth Velamakanni	10 of 10	No	-	-	-

1. °Excluding Directorships held in Private Limited Companies, Foreign Companies, high value debt listed entities, and Companies under Section 8 of the Act.
*2. * Includes only membership/chairmanship of Audit Committee and Stakeholder's Relationship Committee.*

Notes:

1. During the FY ended March 31, 2022, none of the Directors have served as an Independent Director in more than seven (7) listed Companies. The Executive Directors/ Managing Director does not serve as Independent Director in more than three (3) listed entities. All Directors are in compliance with the limit on Directorships/ Independent Directorships of listed companies as prescribed under Regulation 17A of the SEBI Listing Regulations

2. None of the Director is a member of more than ten (10) committees nor is a chairperson of more than five (5) committees across all the Public Limited Companies, whether listed or not, in which he/she is a Director. The Committees considered for the above purpose are those specified in Regulation 26(1)(b) of the SEBI Listing Regulations i.e., the Audit Committee and the Stakeholders' Relationship Committee.

3. None of the Director is related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder except Mr. Rafique Abdul Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director.

4. During the FY ended March 31, 2022, none of the Independent Directors of your Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

2.3 Names of the other listed entities where the Directors of your Company are the Directors and category of Directorships as on FY ended March 31, 2022

Name	Name of the other listed Companies and Category of the Directorships
Mr. Rafique Abdul Malik	1. Ador Fontech Limited – Director (Non-executive, Independent). 2. MIRC Electronics Limited– Director (Non-Executive, Independent)
Ms. Farah Malik Bhanji	--
Mr. Mohammed Iqbal Hasanally Dossani	--
Mr. Utpal Hemendra Sheth	1. Kabra Extrusion Technik Ltd – Director (Non-executive, Independent) 2. Star Health and Allied Insurance Company Limited – Nominee Director (Non-Executive, Non-Independent) 3. NCC Limited – Director (Non-Executive – Non-Independent) 4. Aptech Limited – Director (Non-Executive – Non-Independent)
Mr. ManojKumar Madangopal Maheshwari	1. RPG Life Sciences Limited – Director (Non-executive, Independent) 2. Mahindra CIE Automotive Limited – Director (Non-executive, Independent)
Ms. Aruna Bhagwan Advani	1. Coromandel International Limited – Director (Non-executive, Independent)
Mr. Arvind Kumar Singhal	1. Welspun India Limited- Director (Non-executive, Independent) 2. Blue Star Limited– Director (Non-Executive, Independent) 3. Greaves Cotton Limited- Director (Non-Executive, Independent)
Mr. Vikas Vijaykumar Khemani	--
Mr. Srikanth Velamakanni	--

2.4 Meetings of the Board

The information as required in Part A of Schedule II of the SEBI Listing Regulations is made available to your Board. The Board periodically reviews compliance reports of all laws applicable to the Company based on the recommendation of the Audit Committee.

The Board meets at least once a quarter to review the quarterly results and strategy apart from other items on the agenda. Additional Meetings are held whenever necessary. The Notices of Board/ Committee Meetings is given in advance to all the Directors. The Board Agenda includes an action taken report comprising of actions emanating from the Board Meetings and status updates thereof. The minutes of the Meetings of all the Board and Committees are circulated to all the Directors as per provisions of the Act. Video conferencing facility is used as and when required to facilitate Directors at other locations to participate in the Meetings.

The intervening period between two Board Meetings was within the maximum gap of one hundred twenty (120) days prescribed under the SEBI Listing Regulations.

Ten (10) Board Meetings were held during the FY ended March 31, 2022, on June 25, 2021, July 27, 2021, August 19, 2021, September 17, 2021, October 28, 2021, November 10, 2021, December 2, 2021, December 15, 2021, January 15, 2022, and March 7, 2022. Requisite quorum was present at the above Meetings.

Your Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors of your Company during the FY ended March 31, 2022, except for payment of the sitting fees.

2.5 Directors Remuneration

Remuneration of the Executive Directors is determined by the Board based on the recommendation of the Nomination Remuneration & Compensation ("NRC") Committee, subject to the approval of the Shareholders.

The Executive Directors are entitled to performance bonus for each FY as may be determined by the Board on the recommendation of the NRC Committee; such remuneration is linked to the performance of the Company in as much as the performance bonus is based on various qualitative and quantitative performance criteria.

The Company has already obtained Shareholders' approval via special resolution in its Extra ordinary General Meeting on June 21, 2021 for approving the remuneration of Mr. Rafique Abdul Malik, Chairman, Ms. Farah Malik Bhanji, Managing Director and Mr. Mohammed Iqbal Hasanally Dossani, Whole – time Director for the period April 1, 2020 to March 31, 2023.

Independent Directors are entitled to sitting fees for attending the Meetings of the Board and its Committees. The sitting fees as determined by the Board are ₹ 30,000/- for each meeting of the Board and ₹ 20,000 for each Committee Meetings.

The details of remuneration to each of the Directors on the Board during the FY 2021-22 are as follows:

Name	Fixed Salary			Commission	Sitting fees	Total Remuneration	Service Contract / Notice Period / Severance Fees
	Basic	Perquisites/ Allowances	Total				
Mr. Rafique Abdul Malik	7,15,09,507	44,97,648	7,60,07,155	-	-	7,60,07,155	5 years with effect from April 1, 2022
Ms. Farah Malik Bhanji	3,02,51,926	14,76,420	3,17,28,346	-	-	3,17,28,346	5 years with effect from April 1, 2022
Mr. Mohammed Iqbal Hasanally Dossani	31,24,222	0	31,24,222	-	-	31,24,222	5 years with effect from June 25, 2021
Mr. Utpal Hemendra Sheth	-	-	-	-	Nil	Nil	Retirement by Rotation
Mr. ManojKumar Madangopal Maheshwari	-	-	-	-	4,96,750	4,96,750	5 years with effect from February 6, 2020
Ms. Aruna Bhagwan Advani	-	-	-	-	5,23,750	5,23,750	5 years with effect from February 6, 2020
Mr. Arvind Kumar Singhal	-	-	-	-	3,88,250	3,88,250	5 years with effect from August 11, 2021
Mr. Vikas Vijaykumar Khemani	-	-	-	-	2,34,000	2,34,000	5 Years from the date of appointment i.e., from March 12, 2019
Mr. Srikanth Velamakanni	-	-	-	-	2,97,750	2,97,750	5 Years from the date of appointment i.e., from March 25, 2021

Notes:

None of your Directors hold Stock Options as on March 31, 2022.

2.6 Independent Directors

The Code for Independent Directors are disclosed on the Company's website at the web link: www.metrobrands.com.

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

Basis the declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board opined that the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent from the management. A formal letter of appointment to Independent Directors as provided in the Act has been issued at the time of appointment and disclosed on website of the Company viz. www.metrobrands.com

No Independent Director has resigned during the FY 2021-22.

2.6A Independent Directors' Meeting

The Independent Directors of your Company met on March 7, 2022 without the presence of Non-Independent / Executive Directors and Members of the Management. At this Meeting, the Independent Directors inter alia reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole, reviewed the performance of the Chairman of your Board and assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors.

2.6B Familiarization Programme for Independent Directors

The Company through its Executive Director / Key Managerial Personnel/Senior Management conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. Further, on an ongoing basis as a part of the agenda of Meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategy, risk management framework, industry & regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ statutory auditor/ internal auditor of the Company.

The details on the Company's Familiarisation Programme for Independent Directors can be accessed at www.metrobrands.com.

2.7 SKILL MATRIX FOR THE BOARD OF DIRECTORS

The Board evaluates its composition to ensure that the Members have the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness. The Board Members have background that when combined provide a portfolio of experience and knowledge to serve Company's governance and strategic needs. The Directors have demonstrated experience and ability that is relevant to the Board's oversight role with respect to the Company's business and affairs.

In terms of Listing Regulations, the following skills, expertise and competencies have been identified by the Board of Directors as required in the context of its business and sector for it to function effectively:

- Industry Knowledge
- Leadership & Entrepreneurship
- Business Management
- Financial & Risk Management
- Strategic Planning
- Understanding of Customer Insights in diverse Environment
- Sales, Marketing and Retail

The abovementioned skills / expertise / competencies are available with the Board as a whole.

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. In the table below, the primary/dominant area(s) of expertise of individual Board Members have been highlighted. However, the absence of a mark against a member's name does not mean that the member does not possess the corresponding qualification or skill.

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

Sr. No	Particulars	Leadership experience	Experience of crafting Business Strategies	Finance and Accounting Experience	Understanding of customer insights in diverse environment and conditions	Corporate Governance
1.	Mr. Rafique Abdul Malik	✓	✓	✓	✓	✓
2.	Ms. Farah Malik Bhanji	✓	✓	✓	✓	✓
3.	Mr. Mohammed Iqbal Hasanally Dossani	✓	✓	✓	✓	✓
4.	Mr. Utpal Hemendra Sheth	✓	✓	✓	✓	✓
5.	Mr. Manoj Kumar Madangopal Maheshwari	✓	✓	✓		✓
6.	Ms. Aruna Bhagwan Advani	✓	✓	✓	✓	✓
7.	Mr. Arvind Kumar Singhal	✓	✓		✓	✓
8.	Mr. Vikas Vijaykumar Khemani	✓	✓	✓		✓
9.	Mr. Srikanth Velamakanni	✓	✓			✓

3. COMMITTEES OF BOARD

The Committees of the Board play a crucial role in the governance structure of the Company and have been constituted to focus on those aspects of business that require special attention. Each Committee is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees administered by their respective Chairperson meet at regular intervals. Further, the minutes of all the Committee Meetings are placed before the Board for review.

The Board has constituted the following Committees:

3.1 Audit Committee

The Audit Committee is constituted in line with the provisions of Regulation 18(1) of the SEBI Listing Regulations and Section 177 of the Act comprising three (3) independent directors and one (1) Executive Director. The Company Secretary and Compliance Officer of your Company, acts as the Secretary to the Committee.

All the Members of the Committee are financially literate and experienced and bring in the specialized knowledge and proficiency in the fields of accounting, audit, finance, taxation, compliance, strategy and management. The Committee meets at least once a quarter.

The terms of reference of the Audit Committee are as per the guidelines set out in Part C of Schedule II of the SEBI Listing Regulations and include as follows:

(a) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(b) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(c) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(d) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(e) examine and review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  (i) matters required to be included in the director's responsibility statement to be included in the Directors' Report in terms of clause I of sub-Section 3 of Section 134 of the Act;

  (ii) changes, if any, in accounting policies and practices and reasons for the same;

  (iii) major accounting entries involving estimates based on the exercise of judgment by management;

  (iv) significant adjustments made in the financial statements arising out of audit findings;

  (v) compliance with listing and other legal requirements relating to financial statements;

  (vi) disclosure of any related party transactions; and

  (vii) modified opinion(s) in the draft audit report.

(f) Review of quarterly, half-yearly and annual financial statements before submission to the Board for approval;

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

(h) review and monitoring of the auditor's independence & performance, and effectiveness of audit process;

(i) approval of any subsequent modification transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

(j) scrutinize inter-corporate loans and investments;

(k) valuation of undertakings or assets of the Company, wherever it is necessary;

(l) evaluate internal financial controls and risk management systems.;

(m) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.;

(n) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) discuss with internal auditors of any significant findings and follow up there on;

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

(q) monitor the end use of funds raised through public offers and related matters;

(r) oversee the vigil mechanism established by the Company with the Chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(s) approve the appointment of the Chief Financial Officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) of the Company after assessing the qualifications, experience and background, etc. of the candidate;

(t) review the utilization of loans and/or advances from/investment by the Company in the subsidiary Company exceeding ₹ 100 crore or 10% of the asset size of the subsidiary Company, whichever is lower including existing loans/ advances/investments;

(u) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(v) carry out any other function required to be carried out by the Audit Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time.”

In addition to the above, the Audit Committee shall mandatorily review the following:

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

c) management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

d) internal audit reports relating to internal control weaknesses;

e) appointment, removal and terms. of remuneration of the chief internal auditor;

f) review the financial statements, in particular, the investments made by any unlisted subsidiary Company; and

g) statement of deviations in terms. of the SEBI Listing Regulations:

    i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

    ii. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice.”

The powers of the Audit Committee shall include the following:

a. to investigate any activity within its terms. of reference;

b. to seek information from any employee of the Company;

c. to obtain outside legal or other professional advice;

d. to secure attendance of outsiders with relevant expertise, if it considers necessary; and

e. such other powers as may be prescribed under the Act and the SEBI Listing Regulations.

Six (6) meetings of the Committee were held during the FY ended March 31, 2022, on June 25, 2021, July 27, 2021, October 28, 2021, November 10, 2021, January 15, 2022, and March 7, 2022. Requisite quorum was present at the above Meetings. The gap between no two Meetings exceeded one hundred and twenty (120) days.

The Chief Financial Officer (‘CFO’) and Head – Internal Audit are permanent invitees to the Meetings of the Committee. M/s. Aneja Assurance Private Limited, Internal Auditors are also invited to represent quarterly reports in the Meetings of the Audit Committee. All the recommendations of the Audit Committee made in the FY 2021-22 have been duly accepted by the Board.

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

Names of Members	Category	No. of Meetings attended
Mr. Manoj Kumar Maheshwari (Chairperson)	Independent Director	6 of 6
Ms. Farah Malik Bhanji (Member)	Managing Director	6 of 6
Ms. Aruna Bhagwan Advani (Member)	Independent Director	6 of 6
Mr. Vikas Vijaykumar Khemani (Member)	Independent Director	NA*

*Note: * Mr. Vikas Vijaykumar Khemani was appointed as Member of Audit Committee on March 7, 2022*

3.2 NRC Committee

The NRC Committee of the Company is constituted in line with the provisions of Regulation 19(1) and (2) of the SEBI Listing Regulations read with Section 178 of the Act. The NRC Committee comprises three (3) Non-Executive Independent Directors. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Committee.

The NRC Committee inter alia oversees the Company’s nomination process including succession planning for the senior management and the Board and recommend a policy for their remuneration.

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

(a) identify persons who are qualified to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment & removal;

(b) formulate the criteria for determining qualifications, positive attributes and independence of directors;

(c) formulate criteria for evaluation of Independent Directors and the Board;

(d) devise a policy on Board diversity;

(e) recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;

(f) frame suitable policies, procedures and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and/or the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

(g) recommend to the Board, all remuneration, in whatever form, payable to senior management;

(h) Frame suitable policies, procedures and systems relating to the administration and superintendence of the ESOP plans of the Company;

(i) perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Act or the Listing Regulations or any other applicable law or by regulatory authority;

Six (6) meetings of the NRC Committee were held during the FY ended March 31, 2022, on June 1, 2021, June 25, 2021, July 27, 2021, September 17, 2021, September 29, 2021 and March 7, 2022. Requisite quorum was present at the above Meetings. All the recommendations of the NRC Committee made in the FY 2021-22 have been accepted by the Board of Directors.

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

Names of Members	Category	No. of Meetings attended
Ms. Aruna Bhagwan Advani, (Chairperson)	Independent Director	5 of 6
Mr. Rafique Abdul Malik (Member)	Executive Director	6 of 6*
Mr. Manoj Kumar Maheshwari (Member)	Independent Director	6 of 6
Mr. Utpal Hemendra Sheth	Non-executive Director	3 of 3**

Note: (i) Mr. Rafique Abdul Malik ceased to be the Member of NRC Committee with effect from March 7, 2022*

*(ii)** Mr. Utpal Hemendra Sheth ceased to be the Member of NRC with effect from August 19, 2021 and then was re-appointed as a Member of NRC with effect from March 7, 2022*

The Company has formulated a Nomination, Remuneration & Compensation Policy and the same has been uploaded on the website of the Company at www.metrobrands.com.

NRC Committee other details - Performance evaluation criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the NRC. The Directors other than Independent Directors of your Company evaluate performance of Independent Directors. The evaluation is based on the following criteria as to how an Independent Director:

1. Invests time in understanding the Company and its unique requirements;

2. Brings in external knowledge and perspective to the table for discussions at the meetings;

3. Expresses his/her views on the issues discussed at the Board; and

4. Keeps himself/herself updated on areas and issues that are likely to be discussed in the Board meetings.

3.3 Stakeholders Relationship Committee (SRC)

The SRC comprises one (1) independent director, who is also the Chairperson of this Committee and two (2) Executive Directors. SRC is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

The terms of reference of SRC include the following:

(a) resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;

(b) review of measures taken for effective exercise of voting rights by shareholders;

(c) review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent ("RTA");

(d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

(e) Carry out such other functions as may be specified by the Board from time to time or specified under the Act or SEBI Listing Regulations, or by any other regulatory authority.

After listing of equity shares of the Company on Stock Exchanges, one (1) Meeting of the Committee was held on March 1, 2022 during the FY ended March 31, 2022. Requisite quorum was present at the above Meeting. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the SRC. All the recommendations of the SRC made in the FY 2021-22 have been accepted by the Board of Directors.

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

Names of Members	Category	No. of Meetings attended
Ms. Aruna Bhagwan Advani, (Chairperson)	Independent Director	1 of 1
Ms. Farah Malik Bhanji (Member)	Managing Director	1 of 1
Mr. Mohammed Iqbal Hasanally Dossani (Member)	Whole time Director	1 of 1

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against listed Companies.

SRC-other details

1. The number of Complaints received and resolved to the satisfaction of investors during the FY is as under:
   - Opening Balance- NIL
   - Total complaints received during FY- 38
   - Total Complaints resolved- 38
   - Closing balance- NIL

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

   Ms. Deepa Sood, Company Secretary and Compliance Officer

   Metro Brands Limited

   401, Zillion, 4th Floor,

   LBS Marg & CST Road Junction,

   Kurla (W), Mumbai – 400070.

   Tel: +91 22 6656 0444

   Email: investor.relations@metrobrands.com

3.4 Corporate Social Responsibility (CSR) & Sustainability Committee – Mandatory Committee

The CSR & Sustainability Committee comprises two (2) Independent Directors and one (1) Executive Director who is also the Chairperson of the Committee. The Board in its Meeting held on May 20, 2022 changed the nomenclature of CSR Committee to Corporate Social Responsibility & Sustainability Committee to align with SEBI new framework effective April 1, 2022 dealing with Business Responsibility and Sustainability Reporting.

The Company has formulated CSR & Sustainability Policy and the same has been uploaded on the Company's website www.metrobrands.com.

The terms of reference of the CSR & Sustainability Committee are in line with the guidelines set out in the Act and include the following:

a. Formulation and recommendation to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Act and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

b. Formulate and recommend an annual action plan in accordance with the CSR & Sustainability Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;

c. Identify CSR partners and programmes;

d. Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same for the various CSR activities to be undertaken by the Company;

e. Delegate responsibilities to the team and supervise proper execution of all delegated responsibilities;

f. Review and monitor the implementation of CSR programmes and issue necessary directions as required for their proper implementation and timely completion;

g. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

h. Exercise such other powers as may be conferred upon the CSR & Sustainability Committee as per the provisions of Section 135 of the Act.

Details of the composition of the CSR & Sustainability Committee, Meetings and attendance of the Members are as follows:

Four (4) Meetings of the Committee were held during the FY ended March 31, 2022, on June 26, 2021, September 17, 2021, January 15, 2022, and March 1, 2022. Requisite quorum was present at the above Meetings. The Company Secretary and Compliance Officer act as the Secretary of the CSR & Sustainability Committee. All the recommendations of the CSR & Sustainability Committee made in the FY 2021-22 have been accepted by the Board.

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

Names of Members	Category	No. of Meetings attended
Mr. Rafique Abdul Malik	Chairman of the Company	4 of 4*
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	4 of 4
Mr. Arvind Kumar Singhal (Member)	Independent Director	4 of 4
Mr. Srikanth Velamakanni (Member)	Independent Director	NA**

** Mr. Rafique Abdul Malik ceased to be the Chairman and Member of the CSR Committee with effect from March 7, 2022*
*** Mr. Srikanth Velamakanni was appointed as a Member of CSR Committee with effect from March 7, 2022*

3.5 Risk Management Committee (RMC) – Mandatory Committee

In compliance with the provisions of Regulation 21 of SEBI Listing Regulations and the Act, the Board has constituted RMC on June 25, 2021 and re-constituted the same on January 15, 2022.

The RMC comprises one (1) Independent Director, one (1) Executive Director and CFO of the Company.

The Company has formulated Risk Management Policy and the same has been uploaded on the Company's website www.metrobrands.com.

The role of RMC includes the implementation of Risk Management Systems and framework, review the Company's financial and risk management policies, assess risk and procedures to minimise the same.

The terms of reference of the Committee are in line with the guidelines set out in the Act and include the following:

(a) Formulating a detailed risk management policy for inter alia risk assessment and minimization procedures;

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

(c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems including cyber security;

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

(e) Keeping the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) Review of the appointment, removal and the terms of remuneration of the Chief Risk Officer;

(g) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary; and

(h) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended by the RMC.

Details of the composition of the RMC, Meetings and attendance of the Members are as follows:

One (1) meeting of the Committee was held on March 1, 2022 during the FY ended March 31, 2022. Requisite quorum was present at the said meeting. The Company Secretary and Compliance Officer of the Company act as the Secretary of the RMC. All the recommendations of the RMC made in the FY 2021-22 have been accepted by the Board.

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

Names of Members	Category	No. of Meetings attended
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	1 of 1
Mr. Vikas Vijaykumar Khemani (Member)	Independent Director	1 of 1
Mr. Kaushal Parekh (Member)	Chief Financial Officer	1 of 1

3.6 Share Allotment and Transfer Committee-Non-Mandatory Committee

The Share Allotment and Transfer Committee is formed to look after the Company's allotment procedures, transfers and other legal compliances relating to the issue and allotment of shares. The Board constituted this Committee on May 31, 2007.

The Terms of Reference of this Committee are: -

1. To receive the applications for issue and allotment of shares;
2. To scrutinize the applications;
3. To decide the basis of allotment of shares to the applicants;
4. To authorise the RTA to initiate corporate action with respect to successful allottees;
5. To issue the allotment letters / refund orders to the applicants;
6. To update the Member's register after allotment and do all other incidental and ancillary acts and things to give effect to the allotment of shares;
7. Any other matter related to issue, allotment and transfer of shares.

Details of the composition of the Share Allotment & Transfer Committee, meetings and attendance of the Members are as follows:

The Share Allotment and Transfer Committee comprises one (1) Executive Director who is also the Chairperson of the Committee, one (1) non-executive director and Chief Executive Officer of the Company.

One (1) Meeting of the Committee was held on November 3, 2021 during the FY ended on March 31, 2022. Requisite quorum was present at the said Meeting.

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

Names of Members	Category	No. of Meetings attended
Mr. Rafique Abdul Malik*	Chairman of the Company	1 of 1
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	1 of 1
Mr. Utpal Hemendra Sheth	Non-executive Nominee Director	
Mr. Nissan Joseph** (Member)	Chief Executive Officer	NA

** Mr. Rafique Abdul Malik ceased to be the Chairman and Member of the Share Allotment & Transfer Committee with effect from March 7, 2022*

*** Mr. Nissan Joseph was appointed as a Member of the Share Allotment & Transfer Committee with effect from March 7, 2022*

3.7 Initial Public Offer (IPO) Committee- Non-Mandatory Committee

The IPO Committee was formed on May 2, 2018 to authorise completion of various formalities including appointment of various intermediaries, filings with Securities and Exchange Board of India ("SEBI"), Stock Exchanges and the Registrar of Companies, Maharashtra at Mumbai or any other statutory agencies or relevant authorities as may be required and other matters incidental thereto. The IPO Committee was dissolved in the Board Meeting held on March 7, 2022.

The terms of reference of the IPO Committee include the following:

i. to decide on the IPO size, timing, pricing and all other terms and conditions of the IPO and to make any amendments, modifications, variations or alterations thereto;

ii. to make applications to the stock exchanges for in-principle approval for listing of its equity shares and file such papers and documents with SEBI, as may be required for the purpose;

iii. authorise any director or directors of the Company or other officer or officers of the Company, including grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/ transfer of the equity shares;

iv. approve appointment and/or arrangements with bankers, underwriters, syndicate members, brokers, advisors, escrow collection banks, registrars, refund banks, public issue account banks, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the IPO and to negotiate and finalise the terms of their appointment, including approving amendments to the same, if necessary;

v. to approve suitable policies as may be required under the SEBI Listing Regulations or any other applicable law, or may be deemed necessary by the Board or IPO committee.

vi. determine the utilization of proceeds of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with the Applicable Laws;

vii. to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the IPO, including with respect to the issue, offer or allotment of the Equity Shares, terms of the IPO, utilisation of the IPO proceeds, appointment of intermediaries for the IPO and such other issues as it may, in its absolute discretion deem fit;

Details of the composition of the IPO Committee, Meetings and attendance of the Members are as follows:

The IPO Committee comprises one (1) Executive Director who is also the Chairperson of the Committee, one (1) Non-executive Director, Chief Executive Officer('CEO') and Former Company Secretary of the Company.

Six (6) Meetings of the IPO Committee were held during the FY ended March 31, 2022, on August 20, 2021, November 26, 2021, December 3, 2021, December 9, 2021, December 17, 2021, and December 18, 2021. Requisite quorum was present at the said meetings. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the IPO Committee. All the recommendations of the IPO Committee made in the FY 2021-22 have been accepted by the Board.

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

Names of Members	Category	No. of Meetings attended
Mr. Rafique Abdul Malik	Chairman of the Company	6 of 6
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	6 of 6
Mr. Utpal Hemendra Sheth	Non-executive Nominee Director	6 of 6
Mr. Kaushal Parekh (Member)	Chief Financial Officer	6 of 6
Ms. Tarannum Bhanpurwala (Member)	Former Company Secretary	2 of 6

4. GENERAL MEETINGS AND POSTAL BALLOT

Location and time, where last three (3) AGMs were held:

FY Ended	Date and Time	Venue
March 31, 2019	August 23, 2019 at 11:00 am	Registered Office of the Company at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400 070.
March 31, 2020	September 17, 2020 at 12:00 pm	AGM through Video Conferencing / Other Audio-Visual Means facility
March 31, 2021	August 20, 2021 at 5:00 pm	AGM through Video Conferencing / Other Audio-Visual Means facility

The following is/are the special resolution(s) passed at the previous three (3) AGMs:

AGM held on	Special Resolution Passed	Summary	
August 23, 2019	No	--	
September 17, 2020	Yes	1	To consider re-appointment of Mr. Manoj Kumar Maheshwari (DIN: 00012341) effective February 6, 2020.
		2	To consider re-appointment of Ms. Aruna Advani (Din: 00029256) as Independent Directors of the Company effective February 6, 2020
		3	To approve amendments in 'Metro Stock Option Plan 2008.
August 20, 2021	Yes	1	To consider appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as an Independent Director of the Company effective March 25, 2021.
		2	To consider re-appointment of Mr. Arvind Kumar Singhal (DIN: 00709084) as an Independent Director of the Company effective August 11, 2021.
		3	To consider renewal of appointment of Mr. Rafique A. Malik (DIN: 00521563) as the Chairman of the Company effective April 1, 2022.
		4	To consider renewal of appointment of Ms. Farah Malik Bhanji (DIN: 00530676) as the Managing Director of the Company effective April 1, 2022.
		5	To appoint Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594) as the Whole-time Director of the Company effective June 25, 2021.
		6	To confirm and approve payment of remuneration to Ms. Aziza R. Malik, Related Party.
		7	Increase in Non-Resident Indians and Overseas Citizens of India Limit in the Equity Shares of the Company.

Extraordinary General Meeting (EGM)

The particulars of the EGM of the Company held during the FY 2021-22 are given below:

Date of EGM		Special Resolutions passed
June 21, 2021	1	To confirm and approve payment of remuneration to Mr. Rafique A. Malik (DIN: 00521563), Chairman of the Company for the period from April 1, 2020 to March 31, 2023.
	2	To confirm and approve payment of remuneration to Ms. Farah Malik Bhanji (DIN: 00530676), Managing Director of the Company for the period from April 1, 2020 to March 31, 2023.
	3	To confirm and approve payment of overall remuneration to the Directors of the Company for the period from April 1, 2020 to March 31, 2023.
	4	To confirm and approve payment of remuneration to the Managing Director and Whole-time Director of the Company taken together for the period from April 1, 2020 to March 31, 2023.
August 5, 2021	1	To approve amended Employee Stock Option Plan, 2008.
	2	To approve grant of Employee Stock Options to the employees/ Directors of Subsidiary Companies of the Company under ESOP 2008.
	3	To adopt new Articles of Association.
	4	To approve amended Shareholders Agreement.
September 23, 2021	1	To approve amendments in Metro Stock Option Plan 2008.
October 29, 2021	1	To offer equity shares to the long-term associates of the company on private placement basis.

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

During the FY under review, the Company had conducted one (1) Postal Ballot. The details of the postal ballot are as follows:

Date of postal ballot notice: March 7, 2022

Date of declaration of result: April 11, 2022

Voting period: March 11, 2022 to April 9, 2022

Sr. No.	Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1.	To approve the right to nominate directors by the Investor pursuant to Article 155 read with Article 157 of the Articles of Association of the Company.	Special	25,38,59,723	25,08,04,869	98.7966	30,54,854	1.2034
2.	To approve the right to nominate directors by the Promoter & Promoter Group Shareholders pursuant to Article 156 of the Articles of Association of the Company.	Special	25,38,59,714	25,02,36,049	98.5726	36,23,665	1.4274
3.	To ratify the Metro Brands Limited Employee Stock Option Plan, 2008.	Special	25,33,55,529	24,54,79,542	96.8913	78,75, 987	3.1087

Procedure for Postal Ballot

In compliance with Section 108, 110 and other applicable provisions the Act, as amended, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Ministry of Corporate Affairs, Government of India's General Circular No.14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and the General Circular No. 20/2021 dated December 8, 2021 issued by Ministry of Corporate Affairs, Government of India ('MCA Circulars'), the Postal Ballot Notice was sent only by email to those Members whose names appeared on the Register of Members / List of Beneficial Owners as on March 4, 2022. Physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope were not sent to the members for these postal ballots in accordance with the MCA Circulars.

In compliance with Regulation 44 of the SEBI Listing Regulations as amended from time to time, the Company had appointed Link Intime India Private Limited (LIIPL) for providing the e-voting facility to all its Members. The Company also published a notice in the newspapers declaring the details and requirements as mandated by the Act and applicable rules.

Voting Rights were in proportion to the shares held by Members whose names appeared in the Register of Members/ List of Beneficial Owners in the total paid-up equity share capital of Company as on the cut-off date. Members were requested to vote through remote e-voting only on or before the close of voting period.

Mrs. Ashwini Inamdar and failing her Mr. Atul Mehta, Partners of Mehta & Mehta, Practicing Company Secretaries was appointed as Scrutinizer for conducting the postal ballot/e-Voting process in a fair and transparent manner.

The Scrutinizer completed the scrutiny and submitted their report to the Chairman, and consolidated results of the voting were announced by the Chairman and communicated simultaneously to the Stock Exchanges, Depository, Registrar and Share Transfer Agent of the Company and were also displayed on the Company's website www.metrobrands.com.

The Resolutions, as set out in the Postal Ballot Notice dated March 7, 2022 were passed with requisite majority.

There is no immediate proposal for passing any resolution through postal ballot.

5. MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

The Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on December 22, 2021. Since then, the quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include Free Press Journal (English Dailies) and Loksatta (Marathi Daily). The results were also displayed on the Company's website www.metrobrands.com and also on the website of BSE and NSE, where the shares of your Company are listed.

The Company also issues press releases from time to time. Statutory Notices, Press Releases and Presentations made to the institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the BSE and NSE as well as uploaded on the Company's website at www.metrobrands.com.

Pursuant to the MCA circulars, the Annual Report for FY 2021-22 containing the Notice of AGM was sent through e-mails to all those Members whose e-mail IDs were registered with the Company/ Depository Participants and is also available at the Company's website at www.metrobrands.com.

In compliance with Regulation 46 of the SEBI Listing Regulations, a separate dedicated section under 'Investors Relations' on the Company's website gives comprehensive information about the Company, information on various announcements made by the Company, annual report, annual report of subsidiary Company, financial results, policies of the Company, shareholding pattern, corporate governance report, etc. The Company's investor presentations made to the institutional investors and analysts and other corporate communications made to the Stock Exchanges are also available on the website of the Company at www.metrobrands.com.

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

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

6. OTHER DISCLOSURES

Related Party Transactions / Materially significant related party transactions

In terms of Regulation 23 (1) of the SEBI Listing Regulations, the Board of Directors has approved and adopted a policy on related party transactions and the same has been uploaded on the website of the Company and can be accessed at: www.metrobrands.com.

During the FY under review, all transactions entered into by the Company with related parties as defined under the Act and the SEBI Listing Regulations, were in the ordinary course of business and on arm's length pricing basis and were approved by the Members of Audit Committee including Independent Directors. Necessary disclosures as required under the Accounting Standards have been made in the financial statements.

There were no transactions between the Company and the Promoters, Directors or Management, or their relatives, etc. that had a potential conflict with the interests of your Company at large. The Register of Contracts containing transactions in which Directors are interested is placed before the Board quarterly.

Indian Accounting Standards (IND AS)

The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the financial statements.

Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the Insider Trading - Code of Conduct which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The Company Secretary and the Compliance Officer is responsible for implementation of the Code of Conduct.

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

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

In terms. of the recent amendment of SEBI Listing regulations, the following are the details of the complaints during the FY under review:

a.	Number of complaints filed during the FY	-	Nil
b.	Number of complaints disposed of during FY	-	Nil
c.	Number of complaints pending as on end of the FY	-	Nil

Statutory non-compliance and penalties

There were no instances of non-compliance or penalties imposed on the Company by Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years. All applicable requirements were fully complied with.

Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company confirms that it has complied with all mandatory requirements prescribed in the SEBI Listing Regulations.

The Company has adopted the non-mandatory requirements as applicable and feasible. Disclosures of the extent to which the discretionary requirements have been adopted are given elsewhere in this Report.

Policy for Determining Material Subsidiaries

The Company has one subsidiary Company namely, Metmill Footwear Private Limited (a 51% subsidiary of your Company) which was incorporated on September 16, 2009, with paid-up capital of 1,25,00,000/- (Rupees One Crore Twenty-Five Lakhs only). The Company does not have any material unlisted subsidiary Companies as defined in Regulation 16 of the SEBI Listing Regulations.

The Board of Directors of the Company periodically review the statement of all significant transactions and arrangements entered into by the unlisted subsidiary Company. Copies of the Minutes of the Board Meeting(s) of the unlisted subsidiary Company were placed, as applicable, at the Board Meeting(s) of the Company held during the FY under review.

The Company has framed the Policy for determining material subsidiary and the same is disclosed on the Company's website www.metrobrands.com.

Commodity price risks or foreign exchange risks and hedging activities

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

Compliance Certificate from CEO and CFO

As required by Regulation 17(8) of the SEBI Listing Regulations, the CEO and CFO of the Company have furnished the Compliance Certificate of the financial statements for the FY under review to the Board of Directors. The same forms part of the Annual Report.

Details of non-compliance with requirements of Corporate Governance report

The Company has complied with all the requirements of the corporate Governance report as specified in sub-paras (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations.

Details of compliance with Corporate Governance requirements

The Company has complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Details of utilization of funds raised through Private Placement:

1. Date on which the funds were raised – November 3, 2021
2. Purpose for which the funds were raised - for Expansion Plans of the Company
3. Funds utilised – ₹ 3,29,11,200/-
4. Funds unutilised, if any - NIL

Loans and advances in the nature of loans to firms/Companies in which Directors are interested

The Company has not given any Loans and advances in the nature of loans to firms/Companies in which directors are interested.

Practicing Company Secretary Certificate on Corporate Governance

As required by the SEBI Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

The Company has also obtained a Certificate from Mr. A. Sekar, Practicing Company Secretary (COP No. 2450), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI and Ministry of Corporate Affairs or any such authority and the same forms part of the Annual Report.

Payment to Statutory Auditors

Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part is given below:

Payment to Statutory Auditors FY 2021-22

Particulars	₹ (in Lakhs)
Audit Fees	28.00
Tax Audit Fees	2.50
Other Services (including Quarterly Audit Fees)	0.50
Reimbursement of expenses	0.19
TOTAL	**31.19**

Details of establishment of vigil mechanism

The Company has adopted a Vigil Mechanism/Whistle Blower Policy as required under Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, which is reviewed by the Audit Committee. The Policy can be accessed at www.metrobrands.com

During the FY, no cases were reported under the Vigil Mechanism/Whistle Blower Policy of the Company and no personnel were denied access to the Audit Committee.

Demat suspense account or unclaimed suspense account

The Company does not have any shares in demat suspense account or unclaimed suspense account.

Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The copy of the Code has been displayed on the Company's website at www.metrobrands.com

A declaration signed by the CEO stating that the Members of the Board and senior management personnel have affirmed compliance with the Code forms, part of this Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

Financial Year: The FY of the Company is from April 1 to March 31.

AGM for FY 2021-22

Date and Time	:	Wednesday, September 7, 2021 at 3.00 p.m.
Venue Facility	:	Annual General Meeting through Video Conferencing / Other Audio-Visual Means
		[Deemed Venue for Meeting: Registered Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070.]

Tentative calendar of the Board Meetings for consideration of quarterly results for the FY 2022-23 (Tentative and subject to change)

Results for quarter ending June 30, 2022	:	On or before August 14, 2022
Results for quarter ending September 30, 2022	:	On or before November 14, 2022
Results for quarter ending December 31, 2022	:	On or before February 14, 2023
Results for quarter ending March 31, 2023	:	On or before May 28, 2023
Annual General Meeting for the FY ending March 31, 2023	:	On or before September 30, 2023

The Company was listed as on December 22, 2021, post which quarterly results were announced as follows:

For the quarter ended December 31, 2021: January 15, 2022

For the quarter and FY ended March 31, 2022: May 20, 2022

Book Closure Date

Your Company's Share Transfer Books and Register of Members of Equity shares shall remain closed from September 1, 2022 to September 7, 2022 (both days inclusive) for the purpose of Annual General Meeting.

Dividend Payment Date: The Dividend, if declared at AGM, will be paid on or after Monday, September 12, 2022.

Listing of Equity Shares

Your Company's shares are listed on the NSE & BSE on December 22, 2021

The address of Stock Exchanges are as follows:

Name of Stock Exchange	Address and Contact details	Stock Code
NSE	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Tel No: (022) 26598100-14 / 66418100	METROBRAND
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Tel: 022-22721233/34	543426

None of the Company's listed securities were suspended from trading during the FY 2021-22. The Company has paid Listing Fees for the FY 2022 - 23 to each of the Stock Exchanges, where the equity shares of the Company are listed within the prescribed time limit.

Name of the Depository with whom the Company has entered into Agreement

Name of Depository		ISIN Number
1.	National Securities Depository Limited	INE317I01021
2.	Central Depository Services (India) Limited	

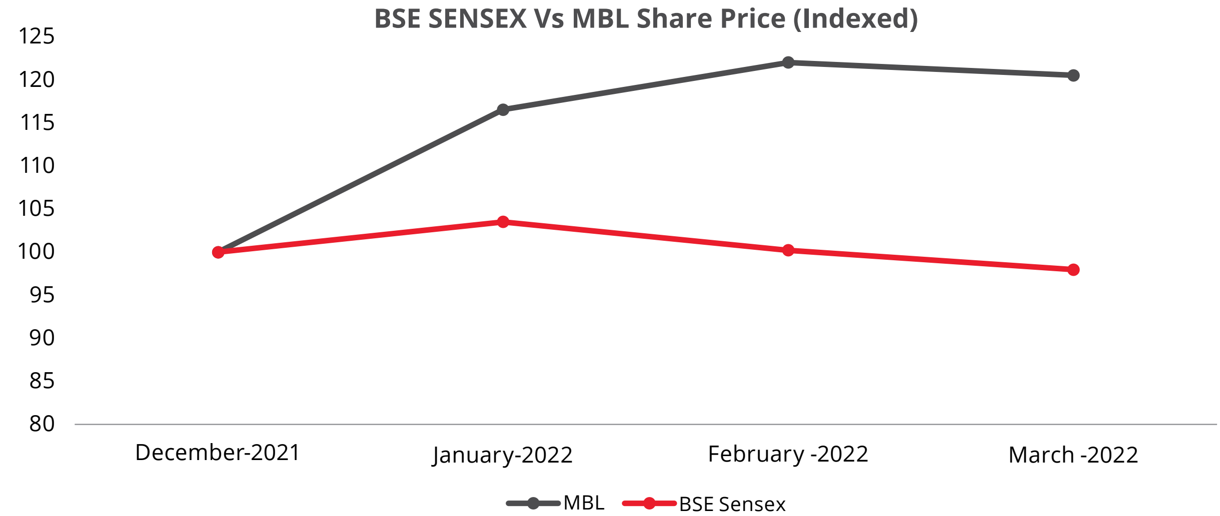
Market Price Data and Performance of Company's Share Prices:

The monthly high and low prices (based on daily closing price) and volumes of shares of the Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the period under listing during FY 2021-22 are as under:

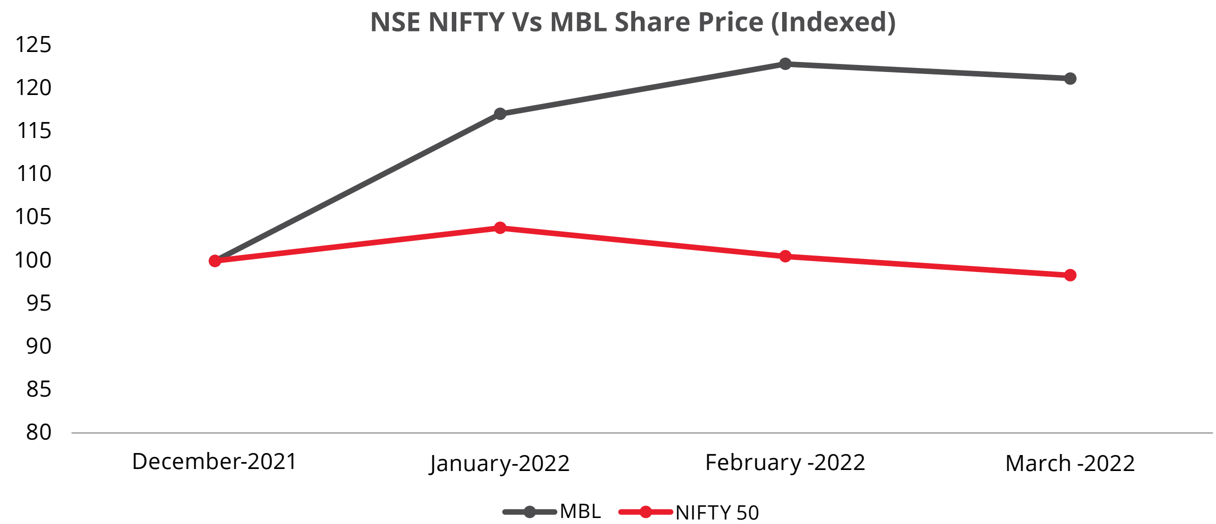
Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
December 2021	511.5	426.1	12,67,696	512.0	426.5	2,47,88,972
January 2022	673.0	428.7	14,97,729	673.0	428.8	1,87,21,810
February 2022	618.0	446.0	2,19,754	614.8	510.6	39,28,690
March 2022	636.3	506.4	2,85,340	635.5	505.1	41,29,044

[Source: This information is compiled from the data available from the website of BSE & NSE]

Note – The Company got listed on December 22, 2021.



Base 100 = Friday, December 31, 2021



Base 100 = Friday, December 31, 2021

RTA

All work related to Share Registry, both in physical and electronic form, are handled by the Company's RTA, whose name and contact details are as given below:

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083.

Ph.: (022) 49186270 Fax: (022) 49186060

Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

The Board has delegated powers to the RTA for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, re-materialization and dematerialisation etc., as and when such requests are received. Shares held in dematerialised form are traded electronically in the Depositories. As at March 31, 2022, no equity shares were pending for transfer.

As per the requirement of Regulation 40(9) of the SEBI Listing Regulations, the Company has obtained the yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the SEBI requirements. The Reconciliation of Share Capital Audit reports for the FY under review have been filed with the Stock Exchange within one month of the end of each quarter.

Trading in Equity Shares of your Company is permitted only in dematerialized form. SEBI has mandated that securities of all listed Companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, your Company / its RTA has stopped accepting any fresh lodgement of transfer of Shares in physical form. Members holding Shares in physical form are advised to avail of the facility of dematerialisation.

Distribution of Shareholding on the basis of shareholders class as on March 31, 2022:

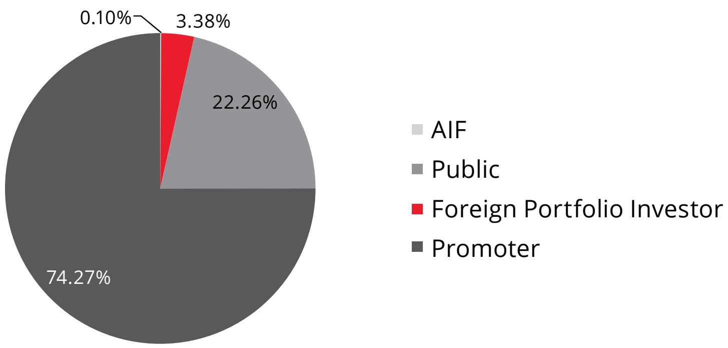
Distribution Schedule as on March 31, 2022

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
Upto 500	7,4249	98.8826	30,02,990	1.11
501 to 1000	334	0.4448	2,54,182	0.09
1001 to 2000	155	0.2064	2,28,758	0.08
2001 to 3000	58	0.0772	1,46,449	0.05
3001 to 4000	25	0.0333	85,869	0.03
4001 to 5000	33	0.0439	1,52,882	0.06
5001 to 10000	48	0.0639	3,65,073	0.13
10001 and above	186	0.2477	26,72,71,223	98.44
Total	**75,088**	**100.0000**	**27,15,07,426**	**100.00**

Distribution of Shareholding (Categorywise) as on March 31, 2022

Category	No. of Shareholders	No. of Shares held	% of Shareholding
Promoters	17	20,16,38,920	74.27
Insurance Companies	11	29,64,600	1.09
Bodies Corporate	94	3,61,207	0.13
Non-Resident Indians (NRI's)	442	1,08,236	0.03
Resident Individuals /NBFC/Mutual Funds	72,971	5,68,13,259	20.93
Clearing Members	78	72,257	0.03
HUF	1,436	1,13,387	0.04
Alternate Investment Funds (AIF)	3	2,66,810	0.10
Foreign Portfolio Investors (Corporate)	37	91,68,750	3.38
Total	**75,089**	**27,15,07,426**	**100.00**

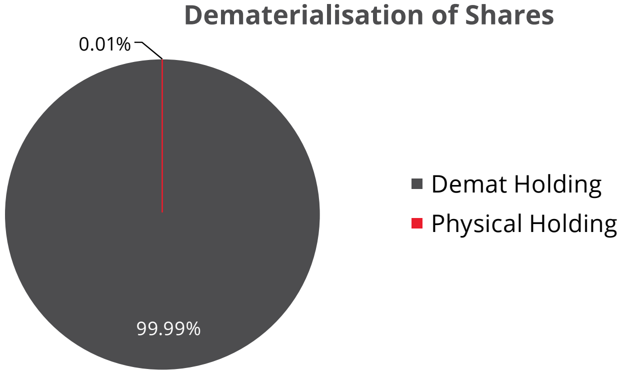
Shareholding Pattern as at March 31, 2022



Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.99% of the Company's equity share capital are dematerialized as on March 31, 2022.

Dematerialisation of Shares



Physical Holding (Number of shares):	**Alternate Investment Funds**	**Foreign Portfolio Investors**
2	0.10%	3.38%
Demat holding (Number of shares):	**Public**	**Promoters**
27,15,07,424	21.26%	74.27%

Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company has not issued any global depository receipts or American depository receipts during the FY 2021-22. There are no warrants or any convertible instruments outstanding as on March 31, 2022.

Plant Location

As on March 31, 2022, the Company had 624 stores in 142 cities across 30 Indian States and Union territories.

Address for correspondence

Investor correspondence for transfer / dematerialization of shares and any other query relating to the shares of the Company should be addressed to -

Link Intime India Pvt. Ltd.

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083.
Ph.: (022) 49186000 Fax: (022) 49186060
Email: rnt.helpdesk@linkintime.co.in

Investor complaints, if any, may be addressed to -

Ms. Deepa Sood, Company Secretary and Compliance Officer

Metro Brands Limited

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070
Email: investor.relations@metrobrands.com

The details of credit rating of the Company as at March 31, 2022 is given below:

Instrument(s)	Amount (₹ In Crore)	Rating
Fund-based/Non-fund-based- Long-term/Short-term Bank Facilities	29.00	CARE AA; Stable / CARE A1+

Status of compliance with discretionary requirements

The SEBI Listing Regulations requires disclosures of adoption by the Company of discretionary requirements as specified in Part E of Schedule II of the said Regulation, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of the discretionary requirements is given below:

(a) The Board:
The Company has an Executive Chairman hence, the requirement of providing a separate office or reimbursement of expenses in performance of the duties to Non-executive Chairman is not applicable.

(b) Shareholders Rights:
Since the quarterly, half yearly and annual financial results of your Company are posted on the Company's website, these are not sent individually to the Shareholders of your Company. Further, significant events are informed to the Stock Exchange from time to time and then the same is also posted on the website of your Company under the 'Investors Relations' section. The complete Annual Report will be sent to every Shareholder of the Company.

(c) Modified opinion(s) in audit report:
There is no audit qualification in the Company's Financial Statements for the FY ended March 31, 2022.

(d) Separate posts of Chairperson and Chief Executive Officer:
Mr. Rafique Abdul Malik is the Chairman and Mr. Nissan Joseph is the Chief Executive Officer of your Company, and they are not related to each other as per the term defined under the Act.

(e) Reporting of Internal Auditor:
The Company has adequate Internal Control and Internal Audit system commensurate with its size and nature of its Business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their reports to the Audit Committee for their consideration.

Declaration by the CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Nissan Joseph, CEO of the Company hereby declare that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2021-22.

Nissan Joseph
Chief Executive Officer

Place: Mumbai
Date: July 29, 2022

CEO and CFO Certification in respect of Financial Statements and Cash Flow Statement

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022

To,
The Board of Directors
Metro Brands Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;

c. There are no transactions entered in to by the Company during the year ended March 31, 2022 which are fraudulent, illegal or violative of Company's Code of Conduct;

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the financial year 2021-22;

f. That there have been no significant changes in the accounting policies during the financial year 2021-22.

g. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Place: Mumbai
Date: July 29, 2022

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Compliance Certificate on Corporate Governance

TO THE MEMBERS OF METRO BRANDS LIMITED

I have examined the compliance of conditions of Corporate Governance by METRO BRANDS LIMITED ("the Company") for the Financial Year ended March 31, 2022 as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), which became applicable to the Company from the date of listing of its equity shares at the NSE and BSE namely December 22, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information, and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as specified in Chapter IV of the Listing Regulations for the period December 22, 2021 to March 31, 2022.

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

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649D000711670

Place: Mumbai
Date: July 29, 2022

Certificate

(Pursuant to Clause 10(i) of Part C of Schedule V of LODR)

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of METRO BRANDS LIMITED (CIN: L19200MH1977PLC019449), having Registered Office at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla West, Mumbai 400070 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that as on March 31, 2022, none of the Directors on the Board of the Company, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649D000711681

Place: Mumbai
Date: July 29, 2022

FINANCIAL STATEMENTS

Independent Auditor's Report

To The Members of Metro Brands Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Metro Brands Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition:** See Note 1.b.B and Note 16 to the standalone financial statements Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. A significant part of Company's revenue relates to sales through a number of company owned outlets. These transactions are of high volume with individually small values. This creates an inherent risk of revenue not being recognised accurately. As a result, the related business processes and internal controls are critical in order to address the risk of error and fraud in the revenue business cycle. This is an area of audit focus and has led to the identification of revenue recognition as a key audit matter.	**Principal audit procedures performed:** In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standard. • Evaluated the design and implementation of key internal financial controls with respect to the revenue business cycle and tested the operating effectiveness of such controls including those related to the reconciliation of sales records to tender accepted (cash / credit card / online receipts), preparation, posting and approval of journal entries on the basis of selected transactions.

Sr. No.	Key Audit Matter	Auditor's Response
		• For samples selected, performed detailed testing of sale transactions during the year by agreeing daily sales statements, tender reconciliations from sales terminals with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits. • Performed cash counts, on a sample basis, at selected stores and examined whether the cash balances are in agreement with cash receipts report. • Tested sample journal entries out of a population of entries passed during the year, selected based on specified risk-based criteria, to identify unusual items. • Involved IT specialists to assist us in testing of general IT controls and key IT application controls (automated controls) relating to revenue recognition. • We carried out analytical procedures based on revenue store/ category /month-wise to identify unusual variances, if any.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Director's Report including annexures to Director's Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information 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 and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 25(i) to the standalone financial statements).

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

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

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to accounts (Refer Note 41 to the standalone financial statements), no funds (which are material either individually or in the aggregate) 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 persons or entities, including foreign entities.

      (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts (Refer Note 41 to the standalone financial statements), no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities.

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

i) The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 11.II to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

KETAN VORA
Partner
Membership No. 100459
(UDIN: 22100459AJIBCZ2795)

Place: Coorg
Date: May 20, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of Metro Brands Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

KETAN VORA
Partner
Membership No. 100459
(UDIN: 22100459AJIBCZ2795)

Place: Coorg
Date: May 20, 2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Metro Brands Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital work-in-progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deeds provided to us, we report that, the title deeds of all the immovable properties of units in a building which are freehold, (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and non-current assets classified as held for sale are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in- transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the statements comprising of unhedged foreign currency exposure filed by the Company with such banks are in agreement with the unaudited books of account of the Company.

(iii) The Company has made investments in units of mutual funds (other parties). The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.

(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The Company had granted a loan to its subsidiary, in previous years, which was payable on demand. The loan was repaid during the year on being demanded by the Company. In our opinion, the repayments of principal amounts and receipts of interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due during the year, except for the loan mentioned in clause (iii)(c) above. No fresh loans granted to settle the existing loans given to the same party.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a slight delay in few cases in respect of remittance of Provident Fund and Employees' State Insurance Fund dues. We have been informed that the provisions of the duty of Excise and Value added tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (₹ in lakhs)	Amount unpaid (₹ in lakhs)^
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax, Appeal	A.Y. 2011-12	3.01	3.01
Central Sales Tax Act, 1956 and Sales Tax/ Value Added Tax Act of various states	Sales Tax	Joint Commissioner of Commercial Tax (Appeals) – Bihar	F.Y. 2013-2014	76.43	46.43
		Assistant Commissioner of Commercial Tax, Cochin, Kerala	F.Y. 2008-2009 F.Y. 2011-2012 F.Y. 2012-2013	4.76	1.53
		Office of Deputy commissioner of commercial Taxes, Audit, Karnataka	F.Y. 2012-2013	0.42	-
		Commercial Tax Officer, Sales Tax Checkpost, Gundlupet.	F.Y. 2019-2020	1.87	-
		Assistant State Tax Officer, SGST Department Kerala	F.Y. 2019-2020	0.57	-
		Assistant Commissioner (Appeals-II) Ernakulam.	F.Y. 2009-2010	0.54	-
Central, Goods and Service Tax Act, 2017	Goods and Service Tax	Assistant Commissioner of State Tax- Bihar	F.Y. 2018-2019	7.89	7.26
Central Excise Act, 1944	Excise Duty	CESTAT, Mumbai	April 2006 – March 2014	8.87	8.87
Chapter V, Finance Act, 1994	Service tax	The Supreme Court of India	September 2008 – March 2011	10.59	10.59

^ Net of amount paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not made any investment in or given any new loan or advances to its subsidiary or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) In our opinion, monies raised by way of initial public offer by the Company during the year, have been, prima facie, applied by the Company for the purposes for which they were raised, other than temporary deployment pending utilization of proceeds.

(b) The Company has made private placement of shares during the year. For such private placement of shares, the company has complied with the requirements of Section 42 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment of shares or preferential allotment or private placement of convertible debentures (fully or partly or optionally) during the year.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports issued to the Company after the balance sheet date covering the period April 2021 to March 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanation given to us, in respect of other than ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the said financial year in compliance with second proviso to sub- section (5) of section 135 of the said Act.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

KETAN VORA
Partner
Membership No. 100459
(UDIN: 22100459AJIBCZ2795)

Place: Coorg
Date: May 20, 2022

Standalone Balance Sheet

as at March 31, 2022

₹ in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	23,388.84	21,851.61
(b) Capital work-in-progress	2e	557.69	421.50
(c) Right-of-use assets	2b	60,958.21	49,960.19
(d) Intangible assets	2c	313.57	391.08
(e) Intangible assets under development	2f	61.66	32.87
(f) Financial assets			
(i) Investments in subsidiary and joint venture	3	504.26	504.26
(ii) Other financial assets	5	4,651.93	3,722.17
(g) Deferred tax assets (Net)	24a	2,183.76	1,593.88
(h) Non-current tax assets (Net)	24b	247.13	271.91
(i) Other non-current assets	6	357.47	294.23
Total non - current assets		**93,224.52**	**79,043.70**
2 Current assets			
(a) Inventories	7	41,889.88	28,446.12
(b) Financial assets			
(i) Investments	3	35,405.43	39,236.92
(ii) Trade receivables	8	3,027.75	2,248.60
(iii) Cash and cash equivalents	9a	5,936.62	2,176.98
(iv) Bank Balances other than (iii) above	9b	37,341.48	6,160.74
(v) Loans	4	142.46	336.23
(vi) Other financial assets	5	1,773.65	1,311.21
(c) Other current assets	6	7,311.37	2,225.33
		132,828.64	**82,142.13**
Assets classified as held for sale	2d	338.04	-
Total current assets		**133,166.68**	**82,142.13**
Total assets (1+2)		**226,391.20**	**161,185.83**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	13,575.37	13,276.71
(b) Other equity	11	110,213.81	67,187.86
Total equity		**123,789.18**	**80,464.57**
2 Non-current liabilities			
(a) Financial Liabilities			
Lease liabilities	29	59,818.39	48,864.61
Total non - current liabilities		**59,818.39**	**48,864.61**
3 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	29	9,403.72	7,684.98
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14	620.25	173.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	22,831.91	20,077.97
(iii) Other financial liabilities	12	2,068.63	1,445.47
(b) Other current liabilities	15	6,595.70	1,974.37
(c) Provisions	13	385.08	66.20
(d) Current tax liabilities (Net)	24c	878.34	434.01
Total current liabilities		**42,783.63**	**31,856.65**
Total equity and liabilities (1+2+3)		**226,391.20**	**161,185.83**

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

₹ in Lakhs

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Revenue from operations**	16	131,241.02	78,874.45
II	**Other Income**	17	5,838.37	7,854.34
III	**Total Income (I + II)**		**137,079.39**	**86,728.79**
IV	**Expenses**			
	(a) Purchases of stock-in-trade	18a	68,401.28	31,627.38
	(b) Changes in inventories of stock-in-trade	18b	(13,443.76)	3,553.80
	(c) Employee benefits expense	20	11,603.87	9,717.39
	(d) Finance costs	21	5,031.21	4,417.17
	(e) Depreciation and amortisation expenses	19	13,382.72	12,120.89
	(f) Other expenses	22	24,350.02	16,178.36
	Total Expenses (IV)		**109,325.34**	**77,614.99**
V	**Profit before tax (III-IV)**		27,754.05	9,113.80
VI	**Tax expense**			
	(1) Current tax	23	7,580.36	2,358.66
	(2) Deferred tax (credit)	24	(589.88)	(497.30)
	Total tax expense		**6,990.48**	**1,861.36**
VII	**Profit after tax for the year (V-VI)**		20,763.57	7,252.44
VIII	**Other comprehensive income**		51.34	189.12
	(i) Items that will not be reclassified to profit or loss			
	- Gain on remeasurements of the defined benefit plans		106.52	155.29
	- Income tax relating to items that will not be reclassified to profit or loss		(26.81)	(39.09)
	(ii) Items that will be reclassified to profit or loss		-	-
	- Gain/(Loss) arising on fair value of investments designated at FVOCI		(28.37)	72.92
	- Income tax relating to items that will be reclassified to profit or loss		-	-
IX	**Total comprehensive income for the year (VII + VIII)**		**20,814.91**	**7,441.56**
	Earnings per equity share (face value of ₹ 5 each)			
	Basic (₹)	30	7.76	2.73
	Diluted (₹)	30	7.73	2.73

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax for the year	27,754.05	9,113.80
Adjustments for:		
Depreciation and Amortisation expenses	13,382.72	12,120.89
Interest Expense	4,892.79	4,302.97
Rent Concession on account of COVID - 19	(2,816.19)	(5,188.39)
Net unrealised exchange (gain)/loss	(0.01)	0.13
Loss on Sale / Discard of Property Plant & Equipment (net)	329.84	258.03
Dividend income from Current Investments in Mutual Funds	-	(52.02)
Net gain on sale of Investments	(366.36)	(472.63)
Net fair value gain arising on current Investments designated at FVTPL	(1,211.36)	(1,359.48)
Interest Income	(1,060.30)	(543.50)
Allowance for expected credit losses, advances and deposits	-	76.93
Liabilities no longer required, written back	(180.31)	(88.26)
Advances written off	49.32	70.35
Employee's Stock Options Expenses	329.23	-
Operating profit before working capital changes	**41,103.42**	**18,238.82**
Movement in working capital:		
(Increase) in Trade Receivable	(779.15)	(1,426.34)
(Increase) in other financial assets	(1,335.98)	(172.36)
(Increase) / Decrease in other current assets	(4,641.32)	1,686.76
(Increase) / Decrease in Inventories	(13,443.77)	3,553.81
(Increase) in other non-current assets	(60.59)	(103.05)
Increase in trade and other payables	3,007.97	4,163.10
Increase in Other current liabilites	4,621.33	558.78
Increase / (Decrease) in Other financial liabilites	84.90	(33.23)
Increase / (Decrease) in Provisions	425.40	(16.96)
	(12,121.21)	**8,210.51**
Cash generated from operations	**28,982.21**	**26,449.33**
Less: income taxes paid	(7,138.06)	(2,035.66)
Net cash generated from operating activities	**21,844.15**	**24,413.67**
Cash flows from investment activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(4,789.91)	(2,502.59)
Proceeds from Sale / Discard of Property Plant & Equipment	48.37	35.44
Interest Received	655.07	205.38
Bank Balances (including Non Current) not considered as Cash and Cash equivalents	(31,176.81)	(6,112.48)
Purchase of Current Investments	(29,998.35)	(48,438.17)
Redemption of Current Investments	35,379.20	45,152.28
Dividend Income from Mutual Funds	-	52.02

Standalone Statement of Cash Flows

for the year ended March 31, 2022

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash used in investment activities	**(29,882.43)**	**(11,608.12)**
Cash flow from financing activities		
Proceeds from issue of shares	29,240.34	-
Payment of lease liabilities	(10,382.55)	(6,654.59)
Payment of Final and Interim Dividend	(7,059.87)	(4,978.77)
Net cash from/(used in) financing activities	**11,797.92**	**(11,633.36)**
Net increase in cash and cash equivalents	**3,759.64**	**1,172.19**
Cash and cash equivalents at the beginning of the year	2,176.98	1,004.79
Cash and cash equivalents at the end of the year [Refer Note 9a]	5,936.62	2,176.98

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	13,276.71	13,276.71
Changes in equity Share Capital during the year		
Shares Issued through Private Placement	3.66	-
Shares Issued through Initial Public Offer ('IPO')	295.00	-
Balance at the end of the year	**13,575.37**	**13,276.71**

B. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Investment designated at FVOCI	Total
Balance as at April 1, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**
Profit for the year	-	-	-	20,763.57	-	20,763.57
Other comprehensive income (net of income tax)	-	-	-	(28.37)	79.71	51.34
Total comprehensive income for the year	**-**	**-**	**-**	**20,735.20**	**79.71**	**20,814.91**
Employee stock option plan recognized	-	-	329.23	-	-	329.23
Payment of Final Dividend	-	-	-	(2,987.26)	-	(2,987.26)
Payment of Interim Dividend	-	-	-	(4,072.61)	-	(4,072.61)
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	(584.06)
Balance as at March 31, 2022	**29,019.21**	**2.85**	**329.23**	**80,694.24**	**168.28**	**110,213.81**
Balance as at April 1, 2020	**77.53**	**-**	**2.85**	**64,672.31**	**(27.63)**	**64,725.06**
Profit for the year	-	-	-	7,252.44	-	7,252.44
Other comprehensive income (net of income tax)	-	-	-	72.92	116.20	189.12
Total comprehensive income for the year	**-**	**-**	**-**	**7,325.36**	**116.20**	**7,441.56**
Payment of Final Dividend	-	-	-	(3,983.01)	-	(3,983.01)
Payment of Interim Dividend	-	-	-	(995.75)	-	(995.75)
Transfer from ESOP outstanding reserve to General reserve	-	2.85	(2.85)	-	-	-
Balance as at March 31, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

NOTE 1.a - CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company. The Company is a retailer in fashion footwear, bags and accessories operating in the premium and economy category. The Company commenced business in the year 1986 with few Showrooms, and currently has showrooms in the major cities of India.

The address of its registered office and principal place of business are given below.

401, Zillion, 4^{th} Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400 070.

The standalone financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 20, 2022.

NOTE 1.b - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Presentation of Standalone Financial Statements

The standalone financial statements of the company have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, considering other relevant provisions of the Act.

The standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded to the nearest lakhs except when otherwise indicated. The standalone financial statements have been prepared in accordance with the amended Schedule III to the Act and accordingly previous year's numbers have been regrouped / reclassed (as necessary) and incremental disclosures have been made to compare with current year disclosures.

The standalone financial statements of the Company have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services.

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

A) Going Concern:

The standalone financial statements of the company have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

B) Revenue Recognition:

I) Sale of Goods:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Sale of Gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for purchase of products and products sold is qualified for revenue recognition.

The Company operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Company's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. The Company recognises the consideration allocated to loyalty points, when the loyalty points are redeemed.

II) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

C) Property, Plant and Equipment and Intangible Assets:

Property, Plant and Equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

On transition to Ind AS the Company had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Based on this item of Property, Plant and Equipment existing as on the date of transition to Ind AS are carried at deemed cost. This exemption has been used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset:

- Leasehold improvements are amortised on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

Intangible Assets:

Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

Intangible assets are amortised over their estimated useful life as follows:-

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years

Capital Work in Progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets under Development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

D) Impairment of Assets:

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

loss is recognised immediately in the Statement of Profit or Loss.

E) Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax authorities), freight inward and other related incidental expenses incurred in bringing the inventory to its present condition and location.

F) Taxation:

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax:

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with The Income Tax Act, 1961.

Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current Tax and Deferred Tax for the year:

Current and deferred tax are recognised in profit and loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

G) Employee Benefits:

Employee Benefit Expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses, share based payments expenses and staff welfare expenses.

Short-Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of non-accumulating compensated absences, the cost of short-term compensated absences is accounted when the absences occur.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Long-Term Employee Benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liability recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash flows expected to be made by the company in respect of services provided by employees up to the reporting date.

I) **Defined Contribution Plan:**

The Provident Fund is a defined contribution scheme. The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

II) **Defined Benefit Plan:**

The Company has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated by independent actuary using the projected unit credit method at each reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments and the return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined Benefit Costs are Split into:

- Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or income.
- Remeasurements.

The company recognises service costs within profit and loss as employee benefit expense. Net interest expense or income is recognised within finance cost.

H) Foreign Currencies:

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are translated using the closing exchange rate as on Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

I) Employees Stock Option Plan (ESOP):

In respect of Employee Stock Options, the Company measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Company's estimate of equity instruments that will eventually vest.

J) Provisions, Contingent Liabilities and Contingent Assets:

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for Warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent Liabilities are disclosed when there is:

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made.

K) Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual Fund Investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net changed in fair value recognised in the statement of profit and loss.

(ii) Impairment of Financial Assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments at FVOCI. For trade receivables, loans and advances given, the Company measure the loss allowance at an amount equal to lifetime expected credit losses. This expected credit loss allowance is computed based on historical credit loss experience and adjusted for forward looking information. The computation also takes into consideration whether there has been a significant increase in credit risk.

(iii) Derecognition of Financial Assets:

A financial asset is derecognised only when:

- the Company has transferred the contractual rights to receive cash flows of the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

L) Investment in Subsidiary and Joint Venture:

Investment representing investments in subsidiary and Joint venture are measured at cost.

M) Leases:

The Company's lease asset class primarily consists of leases for showroom premise. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i) the contract involves the use of an identified asset

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Practical Expedient for Rent Concession due to COVID-19

The company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021, on IND AS 116 for rent concessions which are granted due to COVID-19 pandemic included as a part of notes. Accordingly change in lease payments resulting from rent concessions would be recognised under "Other Income".

N) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

O) Statement of Cash Flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

P) Cash and Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Q) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Company is presented (Refer Note 28).

R) Share Issue Expenses:

The share issue expenses incurred by the Company on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Company on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as Initial Public Offering (IPO) expenses recoverable under other current assets.

NOTE 1.c - CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparing the standalone financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving critical estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

- Estimation of Revenue arising from Loyalty points [Refer Note 1.b(B)(I)]
- Estimation of useful life of Property, Plant and Equipment [Refer Note 1.b(C)]
- Estimation of Defined Benefit Obligation [Refer Note 1.b(G)(II)]
- Fair value measurements and valuation process [Refer Note 1.b(K)(i)]
- Impairment of Financial Assets [Refer Note 1.b(K)(ii)]

NOTE 1.d – RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, Plant and Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 109 – Financial Instruments – Annual Improvements to Ind AS: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

2a. PROPERTY, PLANT AND EQUIPMENT:

₹ in Lakhs

Particulars	Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at April 1, 2020	**11,122.29**	**13,166.24**	**3,497.17**	**2,995.61**	**404.73**	**1,076.34**	**32,262.38**
Additions	-	1,704.18	814.02	384.47	29.37	87.39	3,019.43
Disposals	-	(735.42)	(114.15)	(110.07)	-	(10.38)	(970.02)
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	**11,122.29**	**14,135.00**	**4,197.04**	**3,270.01**	**434.10**	**1,153.35**	**34,311.79**
Balance as at April 1, 2021	**11,122.29**	**14,135.00**	**4,197.04**	**3,270.01**	**434.10**	**1,153.35**	**34,311.79**
Additions	-	2,822.07	1,248.14	618.50	140.90	266.25	5,095.86
Disposals	-	(1,521.98)	(222.43)	(246.11)	(98.11)	(270.88)	(2,359.51)
Assets classified as held for sale	(410.78)	-	-	-	-	-	(410.78)
Balance as at March 31, 2022	**10,711.51**	**15,435.09**	**5,222.75**	**3,642.40**	**476.89**	**1,148.72**	**36,637.36**
II. Accumulated depreciation							
Balance as at April 1, 2020	**972.53**	**6,108.11**	**1,321.66**	**1,177.49**	**153.11**	**676.17**	**10,409.07**
Depreciation expense for the year	238.08	1,540.11	390.26	349.16	49.09	160.97	2,727.67
Eliminated on disposal of assets	-	(510.69)	(75.97)	(80.44)	-	(9.46)	(676.56)
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	**1,210.61**	**7,137.53**	**1,635.95**	**1,446.21**	**202.20**	**827.68**	**12,460.18**
Balance as at April 1, 2021	**1,210.61**	**7,137.53**	**1,635.95**	**1,446.21**	**202.20**	**827.68**	**12,460.18**
Depreciation expense for the year	238.08	1,589.80	429.44	355.33	54.37	175.36	2,842.38
Eliminated on disposal of assets	-	(1,290.41)	(159.57)	(205.24)	(69.14)	(256.94)	(1,981.30)
Assets classified as held for sale	(72.74)	-	-	-	-	-	(72.74)
Balance as at March 31, 2022	**1,375.95**	**7,436.92**	**1,905.82**	**1,596.30**	**187.43**	**746.10**	**13,248.52**
Net carrying amount (I-II)							
Balance as at March 31, 2022	**9,335.56**	**7,998.17**	**3,316.93**	**2,046.10**	**289.46**	**402.62**	**23,388.84**
Balance as at March 31, 2021	**9,911.68**	**6,997.47**	**2,561.09**	**1,823.80**	**231.90**	**325.67**	**21,851.61**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

2b. RIGHT-OF-USE ASSETS

₹ in Lakhs

Particulars	Total
I. Cost	
Balance as at April 1, 2020	**56,933.48**
Additions	13,117.02
Disposals	(2,049.64)
Balance as at March 31, 2021	**68,000.86**
Balance as at April 1, 2021	**68,000.86**
Additions	22,416.85
Disposals	(1,020.68)
Balance as at March 31, 2022	**89,397.03**
II. Accumulated Depreciation	
Balance as at April 1, 2020	**8,786.95**
Depreciation expense for the year	9,253.72
Balance as at March 31, 2021	**18,040.67**
Balance as at April 1, 2021	**18,040.67**
Depreciation expense for the year	10,398.15
Balance as at March 31, 2022	**28,438.82**
Net carrying amount (I-II)	
Balance as at March 31, 2022	**60,958.21**
Balance as at March 31, 2021	**49,960.19**

2c. INTANGIBLE ASSETS (REPRESENTS OTHER THAN INTERNALLY GENERATED INTANGIBLE ASSETS) :

₹ in Lakhs

Particulars	Copyrights	Trademarks	Computer Software	Total
I. Cost				
Balance as at April 1, 2020	**26.00**	**230.67**	**892.54**	**1,149.21**
Additions	-	-	40.43	40.43
Balance as at March 31, 2021	**26.00**	**230.67**	**932.97**	**1,189.64**
Balance as at April 1, 2021	**26.00**	**230.67**	**932.97**	**1,189.64**
Additions	-	-	64.68	64.68
Balance as at March 31, 2022	**26.00**	**230.67**	**997.65**	**1,254.32**
II. Accumulated amortization				
Balance as at April 1, 2020	**26.00**	**148.46**	**484.60**	**659.06**
Amortization expense for the year	-	10.29	129.21	139.50
Balance as at March 31, 2021	**26.00**	**158.75**	**613.81**	**798.56**
Balance as at April 1, 2021	**26.00**	**158.75**	**613.81**	**798.56**
Amortization expense for the year	-	10.29	131.90	142.19
Balance as at March 31, 2022	**26.00**	**169.04**	**745.71**	**940.75**
Net carrying amount (I-II)				
Balance as at March 31, 2022	**-**	**61.63**	**251.94**	**313.57**
Balance as at March 31, 2021	**-**	**71.92**	**319.16**	**391.08**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

2d. ASSETS CLASSIFIED AS HELD FOR SALE :

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Building	338.04	-
Total	**338.04**	**-**

2e. CAPITAL WORK-IN-PROGRESS (CWIP) :

₹ in Lakhs

As at March 31, 2022	557.69
As at March 31, 2021	421.50

Capital work-in-progress Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	553.49	0.65	1.88	-	556.02
Projects temporarily suspended	1.67	-	-	-	1.67
Total	**555.16**	**0.65**	**1.88**	**-**	**557.69**

Completion schedule for Capital work-in-progress which is overdue for completion is given below:

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
SBP - SAMBALPUR (Metro - Showroom)	28.63	0.16	-	-	28.79
ITM - ITANAGAR (Mochi - Showroom)	-	0.29	-	-	0.29
DDR - MUMBAI (Metro - Showroom)	27.22	-	0.75	-	27.97
SON - SONIPAT (Metro - Showroom)	15.46	0.07	-	-	15.53
BFM - BANGALORE (Mochi - Showroom)	-	0.13	1.13	-	1.26
Total	**71.31**	**0.65**	**1.88**	**-**	**73.84**

As at March 31, 2021

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	397.39	23.07	-	-	420.46
Projects temporarily suspended	0.08	0.96	-	-	1.04
Total	**397.47**	**24.03**	**-**	**-**	**421.50**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Completion schedule for Capital work-in-progress which is overdue for completion is given below:

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
BBC - CUTTACK (Metro - Showroom)	-	0.16	-	-	0.16
BFM - BENGALURU (Mochi - Showroom)	0.13	1.13	-	-	1.26
CBQ - CHENNAI (Crocs - Showroom)	22.39	0.04	-	-	22.43
CHQ - CHANDIGARH (Crocs - Showroom)	-	0.01	-	-	0.01
DDR - MUMBAI (Metro - Showroom)	-	0.75	-	-	0.75
HTQ - HYDERABAD (Crocs - Showroom)	11.14	15.25	-	-	26.39
JBL - JABALPUR (Metro - Showroom)	32.78	1.14	-	-	33.92
JMN - JAMNAGAR (Metro - Showroom)	32.80	0.26	-	-	33.06
MBM - MAHARASHTRA (Metro - Showroom)	-	0.75	-	-	0.75
MLQ - KERALA (Crocs - Showroom)	-	0.50	-	-	0.50
MUS - MADURAI (Metro - Showroom)	41.89	0.12	-	-	42.01
NCM - NOIDA (Mochi - Showroom)	-	1.19	-	-	1.19
NCQ - UTTAR PRADESH (Crocs - Showroom)	-	0.50	-	-	0.50
RHM - JHARKHAND (Mochi - Showroom)	-	0.18	-	-	0.18
RIP - RAIPUR (Metro - Showroom)	-	0.96	-	-	0.96
TLM - KERALA (Mochi - Showroom)	-	0.03	-	-	0.03
TLQ - KERALA (Crocs - Showroom)	-	0.03	-	-	0.03
TLU - KERALA (Metro - Showroom)	-	0.06	-	-	0.06
Total	**141.13**	**23.06**	**-**	**-**	**164.19**

Suspended sites

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MLP - KERALA (Metro - Showroom)*	-	0.96	-	-	0.96

** The suspended site was cancelled and written off in the current year.*
Note : For all periods, Capital work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipment, design fee, transportation cost etc.

2f. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lakhs

As at March 31, 2022	61.66
As at March 31, 2021	32.87

Note: The Company does not have any Intangibe asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Intangible assets under development ageing schedule

As at March 31, 2022

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.37	15.29	-	-	61.66
Projects temporarily suspended	-	-	-	-	-
Total	**46.37**	**15.29**	**-**	**-**	**61.66**

As at March 31, 2021

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	32.87	-	-	-	32.87
Projects temporarily suspended	-	-	-	-	-
Total	**32.87**	**-**	**-**	**-**	**32.87**

3. INVESTMENTS

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
A. Investments carried at cost						
Unquoted Investments (at cost) - fully paid up						
In Equity instrument of Subsidiary						
Equity shares of ₹ 10/- each in Metmill Footwear Private Limited	637,500.00	-	12.75	637,500.00	-	12.75
In Equity instrument of Joint Venture						
Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	6,860,000.00	-	491.51	6,860,000.00	-	491.51
B. Investments carried at FVOCI						
Quoted Investments						
Investments in Bonds						
7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50.00	565.65	-	50.00	575.35	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	170.13	-	14,285.00	172.61	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	601.75	-	50.00	617.95	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
C. Investments carried at FVTPL						
Unquoted Investments						
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
NIPPON India Income Fund - Direct Growth	-	-	-	1,756,138.73	1,325.23	-
HDFC Gilt Fund - Direct Plan - Growth Option	-	-	-	3,078,537.21	1,378.20	-
Kotak Banking and PSU Debt Fund Direct Growth	-	-	-	4,931,736.46	2,541.01	-
ICICI Prudential Ultra Short Term Fund Direct Plan Growth	13,350,590.83	3,192.25	-	13,350,590.83	3,054.25	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	556.11	-	25,427.47	533.41	-
AXIS Arbitrage Fund - Direct Growth	15,667,436.09	2,535.99	-	10,020,092.66	1,547.37	-
Edelweiss Arbitrage Fund - Direct Plan Growth	14,957,848.23	2,465.58	-	16,845,074.98	2,652.64	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan Growth	8,472,841.06	2,481.74	-	9,532,102.62	2,673.96	-
Kotak Equity Arbitrage Fund- Direct Plan Growth	9,127,665.62	2,890.64	-	8,506,443.00	2,575.84	-
L&T Arbitage Opportunities Direct Plan - Growth	8,628,040.43	1,401.97	-	8,628,040.43	1,344.59	-
HDFC Ultra Short Term Fund - Direct Growth	-	-	-	27,404,265.81	3,271.90	-
NIPPON India Arbitrage fund - Direct Growth	14,382,699.66	2,021.50	-	-	-	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Income Plus - Growth - Direct Plan	1,590,562.15	1,741.39	-	1,590,562.15	1,643.52	-
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	-	-	-	283,731.80	1,211.07	-
Aditya Birla Sunlife Banking and PSU Debt Fund - Growth - Direct Plan	863,506.52	2,627.88	-	863,506.52	2,501.75	-
ICICI Prudential Savings Fund - Direct Plan	-	-	-	485,296.47	2,036.73	-
Face Value of ₹ 1,000.00 each						
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	233,194.71	800.15	-	-	-	-
Kotak Money Market Fund -Direct Plan - Growth	-	-	-	37,509.70	1,306.76	-
AXIS Liquid Fund - Direct Growth	-	-	-	4,589.23	104.85	-
HDFC Money Market Fund - Direct Plan	85,955.29	4,001.05	-	51,030.84	2,283.08	-
Invesco India Liquid Fund - Direct Plan Growth	-	-	-	25,337.38	716.05	-
TRUSTMF Banking and PSU Debt Fund - Direct Plan	99,995.00	1,055.98	-	99,995.00	1,001.68	-
TRUSTMF Liquid Fund Direct Plan - Growth	63,126.66	651.46	-	-	-	-
NIPPON India Money Market Fund - Direct Growth	99,965.62	3,349.41	-	-	-	-
Quoted Investments						
Bharat Bond ETF - April 2030 of ₹ 1000 each	100,000.00	1,205.79	-	100,000.00	1,131.19	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	1,089.01	-	99,995.00	1,035.93	-
Total (Aggregate amount of unquoted investments)		**31,773.10**	**504.26**		**35,703.89**	**504.26**
Total (Aggregate amount of quoted investments)		**3,632.33**	**-**		**3,533.03**	**-**
Total		**35,405.43**	**504.26**		**39,236.92**	**504.26**
Aggregate market value of quoted investments		**3,632.33**	**-**		**3,533.03**	**-**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

4. LOANS (UNSECURED, CONSIDERED GOOD) - CURRENT

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to related party (Subsidiary)		
Metmill Footwear Private Limited (given for working capital @15% p.a., repayable on demand) (Refer Note 27)	-	148.34
Loans to employees	23.84	19.44
Loans to Selling agents, Retail agents, Supervisors and others	118.62	168.45
Total	**142.46**	**336.23**

Note 1 : The Company do not have loans which are credit impaired or where there is significant increase in credit risk.

Note 2 : The company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs.

Loans or advances in the nature of loans are granted to related parties

₹ in Lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount of loan Outstanding	% to the total loans	Amount of loan Outstanding	% to the total loans
Metmill Footwear Private Limited (amount payable on demand)	-	-	148.34	44.12%

5. OTHER FINANCIAL ASSETS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Considered good - Unsecured	1,519.05	4,629.14	6,148.19	1,186.03	3,695.45	4,881.48
Credit impaired	15.62	-	15.62	15.62	-	15.62
	1,534.67	**4,629.14**	**6,163.81**	**1,201.65**	**3,695.45**	**4,897.10**
Less: Allowance for expected credit loss	(15.62)	-	(15.62)	(15.62)	-	(15.62)
	1,519.05	**4,629.14**	**6,148.19**	**1,186.03**	**3,695.45**	**4,881.48**
Deposits with Banks for more than 12 months maturity from the Balance Sheet date	-	22.79	22.79	-	26.72	26.72
Insurance Claim Receivable	14.26	-	14.26	6.79	-	6.79
Interest accrued on deposits with banks and investments	240.34	-	240.34	118.39	-	118.39
Total	**1,773.65**	**4,651.93**	**6,425.58**	**1,311.21**	**3,722.17**	**5,033.38**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

6. OTHER ASSETS

₹ in Lakhs

Particulars		As at March 31, 2022			As at March 31, 2021		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than capital advances						
	Considered good - Unsecured	3,123.63	-	3,123.63	792.25	-	792.25
	Credit impaired	69.13	-	69.13	69.13	-	69.13
		3,192.76	**-**	**3,192.76**	**861.38**	**-**	**861.38**
	Less: Allowance for expected credit losses	(69.13)	-	(69.13)	(69.13)	-	(69.13)
		3,123.63	**-**	**3,123.63**	**792.25**	**-**	**792.25**
(ii)	Capital advances	-	9.42	9.42	-	6.77	6.77
(iii)	Balances with statutory/ government authorities :	1,861.47	1.51	1,862.98	1,156.48	2.28	1,158.76
(iv)	Prepayments	204.17	12.63	216.80	171.06	3.59	174.65
(v)	Prepaid Rent	60.26	282.29	342.55	44.88	230.74	275.62
(vi)	Share issue expenses recoverable from Selling Shareholders (Refer note below)	1,900.71	-	1,900.71	-	-	-
(vii)	Others (Receivables from Showroom Managers, Retail Agent etc.)						
	Considered good - Unsecured	161.13	-	161.13	60.66	-	60.66
	Credit impaired	16.17	-	16.17	16.17	-	16.17
		177.30	**-**	**177.30**	**76.83**	**-**	**76.83**
	Less: Allowance for expected credit losses	(16.17)	-	(16.17)	(16.17)	-	(16.17)
		161.13	**-**	**161.13**	**60.66**	**-**	**60.66**
(viii)	Amounts paid under protest [Sales tax ₹ 51.62 Lakhs (March 31, 2021- Sales tax ₹ 50.85 Lakhs)] (Refer note 25)	-	51.62	51.62	-	50.85	50.85
Total		**7,311.37**	**357.47**	**7,668.84**	**2,225.33**	**294.23**	**2,519.56**

Note : Share issue expense amounting ₹ 1,900.71 Lakhs incurred by the company towards Initial Public Offer ('IPO') is recoverable from Selling Shareholders.

7. INVENTORIES (AT LOWER OF COST OR NET REALIZABLE VALUE)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Stock-in-trade	41,889.88	28,446.12
Total	**41,889.88**	**28,446.12**
Included above, goods-in-transit:	866.99	527.28

Note :

The cost of inventories recognized as an expense includes ₹ 74.70 Lakhs (March 31, 2021: ₹ (12.99) Lakhs) in respect of write down of inventory to net realizable value.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

8. TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade receivable considered good - Unsecured *	3,027.75	2,248.60
(b) Trade receivable - credit impaired	5.28	5.28
	3,033.03	**2,253.88**
Less: Allowance for expected credit losses	(5.28)	(5.28)
Total	**3,027.75**	**2,248.60**

** Refer Note 33.4*

Trade Receivables Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Particulars		Outstanding for following periods from					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	2,540.27	294.76	187.44	-	-	3,022.47
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	0.83	4.45	5.28
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**2,540.27**	**294.76**	**187.44**	**0.83**	**4.45**	**3,027.75**

Note : There are no unbilled dues for the year.

As at March 31, 2021

₹ in Lakhs

Particulars		Outstanding for following periods from					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,918.20	205.29	85.57	32.53	1.73	2,243.32
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	0.83	4.45	-	5.28
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**1,918.20**	**205.29**	**86.40**	**36.98**	**1.73**	**2,248.60**

Note : There are no unbilled dues for the year.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

9a. CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	Balances with Banks		
	- In current accounts	5,690.76	1,996.96
(b)	Cash on hand	50.01	46.10
(c)	Cash at showrooms	195.85	133.92
Total		**5,936.62**	**2,176.98**

Note : Balance with Banks includes earmarked amount of ₹ 433.53 Lakhs (March 31, 2021: ₹ Nil) on account of unpaid interim dividend. The same had been paid subsequently.

9b. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	In earmarked accounts		
	Deposits with Banks held as margin money or security against guarantees and other commitments (Refer note below)	50.26	42.66
(b)	Deposits with Banks	37,291.22	6,118.08
Total		**37,341.48**	**6,160.74**

Footnote:
Deposits with Banks includes ₹ 14.61 Lakhs (March 31, 2021 ₹ 9.34 Lakhs) which have an original maturity of more than 12 months.

10. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Share Capital (₹ in lakhs)	Number of Shares	Share Capital (₹ in lakhs)
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	15,000.00	300,000,000	15,000.00
Total		**15,000.00**		**15,000.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	271,507,426	13,575.37	265,534,290	13,276.71
Total		**13,575.37**		**13,276.71**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

10.1 RECONCILIATION OF THE NUMBER OF SHARES AND AMOUNT OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Share Capital (₹ in lakhs)	Number of Shares	Share Capital (₹ in lakhs)
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ 5/- each (March 31, 2020 ₹ 10/- each)	265,534,290	13,276.71	132,767,145	13,276.71
Equity shares arising on shares split from ₹ 10/- to ₹ 5/- per share	-	-	132,767,145	-
Shares Issued through Private Placement	73,136	3.66	-	-
Shares Issued through IPO	5,900,000	295.00	-	-
Balance as at the end of the year	**271,507,426**	**13,575.37**	**265,534,290**	**13,276.71**

10.2 DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES:

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.80%	167,150,520	62.95%
Rakesh Jhunjhunwala**	-	-	39,153,600	14.75%
Rekha Jhunjhunwala****	39,333,600	14.49%	-	-
Rafique A. Malik***	18,576,000	6.84%	18,576,000	7.00%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920		79,027,920	
(b) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600		80,184,600	
**Includes shares held by Rakesh Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	-		13,051,206	
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	-		13,051,206	
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	-		13,051,188	
****Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206		-	
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206		-	
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188		-	
***Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000		3,969,000	
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000		3,969,000	
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000		3,969,000	
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000		3,969,000	

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Shareholding of Promoters

Name of Promoters	As at March 31, 2022		As at March 31, 2021		Change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.80%	167,150,520	62.95%	5.15%
Alisha Rafique Malik	9,088,000	3.35%	11,907,000	4.48%	1.13%
Rafique Abdul Malik**	2,700,000	0.99%	2,700,000	1.02%	0.03%
Total	**168,727,520**	**62.14%**	**181,757,520**	**68.45%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600		80,184,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920		79,027,920		

*** The number of shares held & percentage of holding represents the shares held in the individual capacity.It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not covered under the definition of Promoter.*

Note : Promoter here means promoter as defined in the Companies Act, 2013, as amended.

10.3 EMPLOYEES STOCK OPTION SCHEME

85,500 Equity Shares of the face value ₹ 5 each (March 31, 2021 - 85,500 Equity Shares of the face value ₹ 5 each) are reserved under Employee Stock Option Plan of the Company. On September 29, 2021, the Company granted 1,878,302 options under the said scheme to eligible personnel. (Refer note 31)

10.4 RIGHTS, PREFERENCE AND RESTRICTION ATTACHED TO EQUITY SHARES:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

11. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Investment designated at FVOCI	
Balance as at April 1, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**
Profit for the year	-	-	-	20,763.57	-	20,763.57
Other comprehensive income (net of income tax)	-	-	-	(28.37)	79.71	51.34
Total comprehensive income for the year	**-**	**-**	**-**	**20,735.20**	**79.71**	**20,814.91**
Employee stock option plan recognized	-	-	329.23	-	-	329.23
Payment of Final Dividend	-	-	-	(2,987.26)	-	(2,987.26)
Payment of Interim Dividend				(4,072.61)		(4,072.61)
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	(584.06)
Balance as at March 31, 2022	**29,019.21**	**2.85**	**329.23**	**80,694.24**	**168.28**	**110,213.81**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Investment designated at FVOCI	
Balance as at April 1, 2020	**77.53**	**-**	**2.85**	**64,672.31**	**(27.63)**	**64,725.06**
Profit for the year	-	-	-	7,252.44	-	7,252.44
Other comprehensive income (net of income tax)	-	-	-	72.92	116.20	189.12
Total comprehensive income for the year				**7,325.36**	**116.20**	**7,441.56**
Payment of Final Dividend	-	-	-	(3,983.01)	-	(3,983.01)
Payment of Interim Dividend	-	-	-	(995.75)	-	(995.75)
Transfer from ESOP outstanding reserve to General reserve	-	2.85	(2.85)	-	-	-
Balance as at March 31, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securites Premium is created when shares are issued at premium . The Company can use this reserve in accordance with the provisions of the Act.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Comprehensive Income represents change in the value of investments accounted through FVOCI.

II. Dividend on Equity Shares

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Final dividend for the year ended March 31, 2021 of ₹ 1.125/- per fully paid up share	-	2,987.26
Interim dividend for the year ended March 31, 2022 of ₹ 1.50/- (March 31, 2021 of ₹ 0.75/-) per fully paid up share	4,072.61	995.75
Total	**4,072.61**	**3,983.01**

The Board of Directors at its meeting held on May 20, 2022 has recommended payment of final dividend of ₹ 0.75 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

12. OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposit - Franchisee	175.00	-	175.00	130.00	-	130.00
Security Deposit - Related party	0.99	-	0.99	0.99	-	0.99
Retention Money Payable (Selling Agents, Supervisors, City and Regional Managers and Others)	753.44	-	753.44	713.54	-	713.54
Payable on acquisition of Property, plant & equipment	1,139.20	-	1,139.20	600.94	-	600.94
Total	**2,068.63**	**-**	**2,068.63**	**1,445.47**	**-**	**1,445.47**

13. PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for warranty	50.31	-	50.31	45.31	-	45.31
Provision for employee benefits - Gratuity (refer note 26)	77.63	-	77.63	20.89	-	20.89
Provision for employee benefits - compensated absences (refer note 26)	257.14	-	257.14	-	-	-
Total	**385.08**	**-**	**385.08**	**66.20**	**-**	**66.20**

Note-

Provision for warranty represents the undiscounted value of the managements best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Company. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

14. TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 34) ; and	620.25	-	620.25	173.65	-	173.65
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	22,831.91	-	22,831.91	20,077.97	-	20,077.97
Total	**23,452.16**	**-**	**23,452.16**	**20,251.62**	**-**	**20,251.62**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Trade payables Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	620.25	-	-	-	620.25
ii) Others	17,461.95	74.44	86.57	249.12	17,872.08
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	4,959.83	-	-	-	4,959.83
Total	**23,042.03**	**74.44**	**86.57**	**249.12**	**23,452.16**

As at March 31, 2021

₹ in Lakhs

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	173.65	-	-	-	173.65
ii) Others	14,942.68	477.98	16.92	273.44	15,711.02
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	4,366.95	-	-	-	4,366.95
Total	**19,483.28**	**477.98**	**16.92**	**273.44**	**20,251.62**

15. OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
a. Advances received from customers	276.53	174.56
b. Deferred Revenue arising from Customer Loyalty program	661.13	482.13
c. Share Issue expense payable	3,800.00	-
d. Statutory dues payable	1,858.04	1,317.68
Total	**6,595.70**	**1,974.37**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

16. REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Sale of products (Traded Goods) - Footwear, Bags and Accessories (Refer Note below)	131,184.97	78,841.48
(b)	Other operating revenues		
	- Shoe Repair Income	56.05	32.97
Total		**131,241.02**	**78,874.45**

Note:

₹ in Lakhs

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(i)	Sale of Products (Traded goods)		
	Footwear, Bags & Accessories	153,712.05	91,942.80
	Less : GST	22,527.08	13,101.32
Sale of Products (Traded goods) (Net of GST)		**131,184.97**	**78,841.48**

17. OTHER INCOME

₹ in Lakhs

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	**Interest Income:**		
	Income earned on financial assets carried at amortised cost:		
	Interest on bank deposits	656.69	131.43
	Interest on loan given to Subsidiary (Refer Note 27)	8.84	22.25
	Interest on other Loans and advances	21.79	25.25
	Interest on Security deposit	283.28	274.87
	Income earned on financial assets carried at FVOCI:		
	Interest Income from Tax Free Bonds	89.70	89.70
		1,060.30	**543.50**
(b)	**Dividend Income:**		
	Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	-	52.02
(c)	**Other Gains:**		
	Net gain on sale of Investments	366.36	472.63
	Net fair value gain arising on current Investments designated at FVTPL	1,211.36	1,359.48
	Net gain on foreign currency transactions and translation	87.17	17.90
	Rent Concession on account of COVID - 19 (Refer Note 29)	2,816.19	5,188.39
(d)	**Others:**		
	Cash Discounts	46.25	15.09
	Miscellaneous Income	70.43	117.07
	Liabilities no longer required, written back	180.31	88.26
Total		**5,838.37**	**7,854.34**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

18a. PURCHASES OF STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Stock-in-Trade (Footwear, Bags & Accessories)	66,471.90	30,299.91
Packing Materials	1,929.38	1,327.47
Total	**68,401.28**	**31,627.38**

18b. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year :		
Stock-in-trade	41,889.88	28,446.12
Inventories at the beginning of the year:		
Stock-in-trade	28,446.12	31,999.92
Changes in Inventories of Stock-In-Trade	**(13,443.76)**	**3,553.80**

19. DEPRECIATION AND AMORTIZATION EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Depreciation of Property, Plant and Equipment	2,842.38	2,727.67
(b) Depreciation of Right-of-use assets	10,398.15	9,253.72
(c) Amortization of Intangible assets	142.19	139.50
Total	**13,382.72**	**12,120.89**

20. EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Salaries and wages	10,311.33	8,888.80
(b) Contribution to provident and other funds (refer note 26)	897.34	805.21
(c) Staff welfare expenses	65.97	23.38
(d) Employee's Stock Options Expenses (refer note 31)	329.23	-
Total	**11,603.87**	**9,717.39**

21. FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on lease liabilities (refer note 29)	4,892.79	4,302.97
Interest expense on Income tax	138.42	114.20
Total	**5,031.21**	**4,417.17**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

22. OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	1,958.46	1,464.09
Rent [Refer note 29]	4,073.75	2,378.00
Rates and taxes	327.60	166.15
Insurance	147.69	111.78
Repairs and maintenance - Machinery and Equipment	85.20	71.36
Repairs and maintenance - Others	689.05	492.41
Advertisement & Sales promotion	3,349.58	1,602.65
Commission on sales	6,390.07	4,558.62
Commission on Credit Card Sales	609.64	375.05
Freight Charges	1,929.24	1,166.00
Maintenance & Other Charges - Showrooms [Refer Note 29]	2,066.13	1,660.04
Shoe Repair Expenses	97.12	66.76
Communication	183.81	166.65
Travelling and conveyance	378.44	119.43
Donations	-	1.00
Legal and professional	356.07	254.14
Payments to auditors (Refer Note 22.1)	31.19	33.00
Loss on Sale/ discard of Property, plant and equipment (net)	329.84	258.03
Directors' Sitting fees (Refer Note 27)	19.30	8.50
Expenditure incurred for Corporate Social Responsibility (Refer Note 32)	323.87	406.37
Allowance for expected credit losses, advances and deposits	-	76.93
Advances written off	49.32	70.35
Miscellaneous Expenses	954.65	671.05
Total	**24,350.02**	**16,178.36**

22.1 PAYMENTS TO AUDITORS:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
To statutory auditor		
(i) For Audit	28.00	20.00
(ii) For Taxation Matters	2.50	2.50
(iii) For Consolidation	0.50	0.50
(iv) For Other Services	0.19	10.00
	31.19	**33.00**
(v) For IPO related services (refer note below)	188.40	-
Total	**219.59**	**33.00**

Note : In addition to the above expenses in Statement of Profit and Loss, payment to auditors of ₹ 188.40 Lakhs (March 31, 2021: ₹ Nil) is towards IPO related services accounted in balance sheet to be offset with securities premium arising from IPO.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

23. CURRENT TAX AND DEFERRED TAX

(a) Income tax recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax:		
In respect of current year	7,525.55	2,428.36
In respect of prior year	54.81	(69.70)
	7,580.36	**2,358.66**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(589.88)	(497.30)
Total	**6,990.48**	**1,861.36**

(b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax :		
Items that will not be reclassified to profit and loss:		
Remeasurement of defined benefit obligations	(26.81)	(39.09)
Total	**(26.81)**	**(39.09)**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**27,754.05**	**9,113.80**
Income tax expense calculated at 25.17%	6,985.69	2,293.94
Effect of income that is exempt from taxation	(33.22)	(535.23)
Effect of expenses that are non-deductible in determining taxable profit	238.65	341.78
Effect of deduction	(255.45)	(169.43)
Tax of prior years	54.81	(69.70)
Income tax expense recognised in Statement of Profit and Loss	**6,990.48**	**1,861.36**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

(d) Deferred tax

₹ in Lakhs

Particulars	For the year ended March 31, 2022			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities				
Property, plant and equipment	104.35	90.94	-	195.29
Allowance for expected credit losses on trade receivables, advances and deposits	26.73	-	-	26.73
Fair valuation on investments	(457.32)	18.00	-	(439.32)
Deferred Tax on Ind AS 116 -Leases	1,920.12	416.22	-	2,336.34
Compensated absenses	-	64.72	-	64.72
Net deferred tax asset	**1,593.88**	**589.88**	**-**	**2,183.76**

₹ in Lakhs

Particulars	For the year ended March 31, 2021			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities				
Property, plant and equipment	21.00	83.35	-	104.35
Allowance for expected credit losses on trade receivables, advances and deposits	7.41	19.32	-	26.73
Fair valuation on investments	(620.95)	163.63	-	(457.32)
Deferred Tax on Ind AS 116 -Leases	1673.94	246.18	-	1,920.12
Others	15.18	(15.18)	-	-
Net deferred tax asset	**1096.58**	**497.30**	**-**	**1,593.88**

24.

(a) Deferred tax assets (Net)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities	(439.32)	(457.32)
Deferred tax assets	2,623.08	2,051.20
Total	**2,183.76**	**1,593.88**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

(b) Non-current tax assets (Net)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income tax (net of provision for taxation)	247.13	271.91
Total	**247.13**	**271.91**

(c) Current tax liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxation (net of advance tax)	878.34	434.01
Total	**878.34**	**434.01**

25 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Lakhs

Nature of Dues	As at March 31, 2022	As at March 31, 2021	Period	Forum where dispute is pending
(i) Contingent Liabilities				
a) Disputed indirect and direct tax matters				
Central Excise demands	8.87	8.87	Apr'2006 - Mar'2014	CESTAT, Mumbai
Service Tax demands	10.59	10.59	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax demands	-	20.05	F.Y. 2012-2013	Deputy Commissioner Appeal, Ernakulam
	-	1.61	F.Y. 2011-2012	Deputy Commissioner Appeal, Ernakulam
	-	645.84	F.Y. 2013-2014	Joint Commissioner -1 Appeal, Ahmedabad
	76.43	76.43	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
	-	2.71	F.Y. 2015-2016	Joint Excise and Taxation Commissioner (Appeals) - Faridabad
	0.43	0.43	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.51	0.51	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	3.82	3.82	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.42	0.42	F.Y. 2012-2013	Office of Deputy commissioner of commercial Taxes, Audit, Karnataka
	1.87	0.93	F.Y. 2019-2020	Commercial Tax Officer, Sales Tax Checkpost, Gundlupet.
	0.57	0.29	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	0.54	0.54	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

	Nature of Dues	As at March 31, 2022	As at March 31, 2021	Period	Forum where dispute is pending
	Goods and Services Tax (GST) demands	7.89	7.89	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	Income Tax demands	-	0.46	A.Y. 2012-13	CPC - Income Tax
		-	453.20	A.Y. 2018-19	Income Tax - E Assessment Centre, Delhi
		3.01	3.01	A.Y. 2011-12	Commissioner of Income Tax, Appeal
(b)	Guarantee given to bank on behalf of Metmill Footwear Pvt. Ltd (Subsidiary company)	-	2,500.00		
(c)	Other money for which the company is contingently liable	20.50	20.50		
ii)	**Commitments**				
a)	Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	250.27	114.18		

Future cash flow in respect of matters stated under note 25(i)(a) and (c) are determinable only on receipt of judgement/ decisions pending at various forums/authorities.

26 EMPLOYEE BENEFITS:

I) Defined - Contribution Plans

The Company offers its employees defined contribution plan in the form of Provident Fund and Employees' State Insurance Corporation (ESIC). Both the employees and the Company pay pre determined contributions into the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised Provident Fund ₹ 572.38 Lakhs (Previous year ₹ 511.90 Lakhs) and ESIC ₹ 155.60 Lakhs (Previous year ₹ 130.67 Lakhs) in the Statement of Profit and Loss.

II) Defined Benefit Plans- Gratuity

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company or as per the Payment of the Gratuity Act, 1972, whichever is higher. Vesting occurs upon completion of five years of service.

There is no cap on the amount of gratuity paid to an eligible employee at retirement, death while in employment or on termination of the employment.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Gratuity	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	187.00	173.01
2. Net Interest Cost on the net defined benefit liability	1.26	10.03
Total	**188.26**	**183.04**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	(14.81)	(109.58)
2. Actuarial losses on account of :		
- change in demographic assumptions	(120.83)	5.47
- change in financial assumptions	185.89	21.38
- experience variance	(156.77)	(72.56)
Total	**(106.52)**	**(155.29)**
III. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	1,832.12	1,736.21
2. Fair value of plan assets	1,754.49	1,715.32
3. Net (liability) as at end of the year	(77.63)	(20.89)
IV. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	1,736.21	1,617.19
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	187.00	173.01
- Interest Cost	104.84	84.03

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Gratuity		For the year ended March 31, 2022	For the year ended March 31, 2021
	3. Remeasurement gains/(losses)		
	- change in demographic assumptions	(120.83)	5.47
	- change in financial assumptions	185.89	21.38
	- experience variance (i.e. Actual experience vs assumptions)	(156.77)	(72.56)
	4. Benefits paid	(104.22)	(92.31)
	5. Present Value of Defined Benefit Obligation at the end of the year	1,832.12	1,736.21
V.	**Change in Fair Value of Assets during the year**		
	1. Plan assets at the beginning of the year	1,715.32	1,424.05
	2. Investment Income	103.58	74.00
	3. Return on plan assets (excluding amount recognised in net interest expense)	14.81	109.58
	4. Contribution by employer	25.00	200.00
	5. Benefits paid	(104.22)	(92.31)
	6. Fair value of Plan assets at the end of the year	1,754.49	1,715.32
VI.	**Fair value of plan assets at the end of the reporting period for each category are as follows:**		
	- Government of India Securities (Central & State)	654.67	622.23
	- High quality corporate bonds (Including public sector bonds)	665.81	488.01
	- Equity shares, Equity mutual funds and ETF	301.59	166.99
	- Cash (Including liquid mutual funds)	-	42.03
	- Others	132.42	396.06
Total		**1,754.49**	**1,715.32**
VII.	**Actuarial assumptions**		
	1. Discount Rate [HO]	6.40%	6.40%
	Discount Rate [Sales Staff]	5.55%	4.80%
	2. Expected rate of return on plan assets	8.00%	8.00%
	3. Salary Escalation Rate [HO]	10.00%	8.50%
	Salary Escalation Rate [Sales Staff]	10.00%	8.50%
	4. Attrition Rate [HO]	15.00%	8.89%
	Attrition Rate [Sales Staff]	30.00%	31.49%
	5. In-service Mortality	IALM 2012-14	IALM 2012-14

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate (-/ + 1%)		
- Decrease by 1%	105.61	133.86
- Increase by 1%	(95.47)	(118.17)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(93.19)	(116.85)
- Increase by 1%	100.89	129.63
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	259.09	157.72
- Increase by 50%	(122.28)	(87.82)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.50	0.51
- Increase by 10%	(0.50)	(0.51)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d) **Expected contribution for the next year:**

The Company expects to contribute ₹ 262.79 Lakhs in respect of the gratuity plans during the next financial year ending March 31, 2023.

e) **Expected future benefits payable:**

₹ in Lakhs

Maturity Profile of Defined Benefit Obligation	As at March 31, 2022	As at March 31, 2021
1 year	324.87	206.48
2 to 5 years	941.85	751.89
6 to 10 years	718.05	660.82
More than 10 years	757.21	1,370.60

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

III) Defined Benefit Plans - Compensated absences

From April 1, 2021 onwards, the Company had amended the policy for Compensated absences which allowed the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2022.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Compensated Absences	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	257.14	-
2. Fair value of plan assets	-	-
3. Net (liability) as at end of the year	(257.14)	-
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	-	-
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	257.14	-
3. Remeasurement gains/(losses)	-	-
4. Benefits paid	-	-
5. Present Value of Defined Benefit Obligation at the end of the year	257.14	-

b) Actuarial Assumptions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Discount Rate [HO]	6.40%	-
Discount Rate [Sales Staff]	5.55%	-
2. Salary escalation rate	10.00%	-
3. Retirement age	60 years	-
4. Mortality rate	100% of IALM 2012-14	-
5. Attrition Rate [HO]	15.00%	-
Attrition Rate [Sales Staff]	30.00%	-
6. Rate of Leave Availment	0.00%	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate (-/ + 1%)		
- Decrease by 1%	10.57	-
- Increase by 1%	(9.67)	-
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(9.42)	-
- Increase by 1%	10.09	-
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	29.63	-
- Increase by 50%	(10.72)	-
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.04	-
- Increase by 10%	(0.04)	-

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

27 RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS-24 "RELATED PARTY DISCLOSURES" ARE GIVEN BELOW:

List of Related Parties :			
I.	Names of Related Party and description of relationship:		
a.	Party where control exist - Subsidiary Company :		M/s. Metmill Footwear Private Limited
b.	Joint Venture :		M/s. M.V. Shoe Care Private Limited
c.	Other Related Parties with whom transactions have taken place during the year :		
i.	Key Management Personnel (KMP) :	1	Mr. Rafique Malik – Chairman (having significant influence)
		2	Mrs. Farah Malik Bhanji – Managing Director (having significant influence)
		3	Mrs. Aziza Malik – Whole Time Director (having significant influence) (Till November 25, 2020)
		4	Mr. Mohammed Iqbal Hasanally Dossani (Whole Time Director) (From November 26, 2020)
		5	Mr. Nissan Joseph - Chief Executive Officer (from July 1, 2021) (having significant influence)
		6	Mr. Kaushal Parekh - Chief Financial Officer (From November 26, 2020)
		7	Ms. Deepa Sood - Company Secretary (From March 7, 2022)

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

List of Related Parties :		
	8	Ms. Tarannum Bhanpurwala - Company Secretary (From November 26, 2020 to March 6, 2022)
	9	Mr. J.J. Desai - Company Secretary and Chief Financial Officer (Till November 25, 2020)
	10	Mr. Subhash Malik (Till November 25, 2020)
	11	Mr. Rakesh Jhunjhunwala (Till March 24, 2021)
	12	Mr. Utpal Hemendra Sheth
	13	Ms. Aruna Advani
	14	Mr. Manoj Kumar Maheshwari
	15	Mr. Arvind Kumar Singhal
	16	Mr. Vikas Khemani
	17	Mr. Karan Singh (Till March 24, 2021)
	18	Mr. Srikanth Velamakanni (From March 25, 2021)
ii. Relatives of Key Management Personnel :	1	Mrs. Sabina Malik Hadi
	2	Ms. Zarah Rafique Malik
	3	Mrs. Zia Malik Lalji
	4	Ms. Alisha R. Malik
	5	Mrs. Rukshana Kurbanali Javeri
	6	Mrs. Mumtaz Jaffer
	7	Mr. Suleiman Sadruddin Bhanji
	8	Mrs. Aziza Malik (From November 26, 2020)
iii. Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence :	1	Design Matrix Interiors LLP
	2	Design Matrix Associated Private Limited
	3	Allium Property LLP
	4	Metro Shoes
	5	Aziza Malik Family Trust
	6	Rafique Malik Family Trust
	7	Zia Malik Family Trust
	8	Zarah Malik Family Trust
	9	Sabina Malik Family Trust
	10	Farah Malik Family Trust

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)						
Mr. Rafique Malik	2021-22	-	-	-	92.24	-
	2020-21	-	-	-	53.52	-
Mrs. Aziza Malik	2021-22	-	-	-	-	218.33
	2020-21	-	-	-	52.94	62.63
Commission/rent in respect of retail agency agreements for showroom						
Metro Shoes	2021-22	-	163.58	-	-	-
	2020-21	-	77.55	-	-	-
Rent (Compensation received in respect of rent for office)						
Metro Shoes	2021-22	-	3.96	-	-	-
	2020-21	-	3.96	-	-	-
Remuneration #						
Mr. Rafique Malik	2021-22	-	-	-	760.07	-
	2020-21	-	-	-	673.40	-
Mrs. Farah Malik Bhanji	2021-22	-	-	-	317.28	-
	2020-21	-	-	-	280.64	-
Mrs. Aziza Malik	2021-22	-	-	-	-	226.28
	2020-21	-	-	-	93.94	105.99
Mr. J. J. Desai	2021-22	-	-	-	-	-
	2020-21	-	-	-	71.52	-
Mr. Subhash Malik	2021-22	-	-	-	-	-
	2020-21	-	-	-	15.07	-
Mr. Kaushal Parekh	2021-22	-	-	-	145.84	-
	2020-21	-	-	-	57.57	-
Mr. Nissan Joseph	2021-22	-	-	-	191.00	-
	2020-21	-	-	-	-	-
Mr. Mohammed Iqbal Hasanally Dossani	2021-22	-	-	-	31.24	-
	2020-21	-	-	-	11.68	-
Ms. Deepa Sood	2021-22	-	-	-	4.89	-
	2020-21	-	-	-	-	-
Ms. Tarannum Bhanpurwala	2021-22	-	-	-	9.35	-
	2020-21	-	-	-	2.39	-
Ms. Alisha R. Malik	2021-22	-	-	-	-	89.82
	2020-21	-	-	-	-	46.99
Directors' Sitting Fees						
Ms. Aruna Advani	2021-22	-	-	-	5.10	-
	2020-21	-	-	-	2.60	-
Mr. Manoj Kumar Maheshwari	2021-22	-	-	-	4.80	-
	2020-21	-	-	-	2.60	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mr. Arvind Kumar Singhal	2021-22	-	-	-	3.80	-
	2020-21	-	-	-	1.80	-
Mr. Karan Singh	2021-22	-	-	-	-	-
	2020-21	-	-	-	0.90	-
Mr. Srikanth Velamakanni	2021-22	-	-	-	3.00	-
	2020-21	-	-	-	0.30	-
Mr. Vikas Khemani	2021-22	-	-	-	2.60	-
	2020-21	-	-	-	0.30	-
Retainership Fees						
Mrs. Mumtaz Jaffer	2021-22	-	-	-	-	36.00
	2020-21	-	-	-	-	24.80
Interim Dividend						
Mr. Rafique Malik	2021-22	-	-	-	40.50	-
	2020-21	-	-	-	10.13	-
Mrs. Farah Malik Bhanji	2021-22	-	-	-	76.86	-
	2020-21	-	-	-	29.77	-
Mrs. Aziza Malik	2021-22	-	-	-	-	20.25
	2020-21	-	-	-	5.06	-
Mr. J. J. Desai	2021-22	-	-	-	-	-
	2020-21	-	-	-	0.85	-
Mr. Subhash Malik	2021-22	-	-	-	-	-
	2020-21	-	-	-	0.24	-
Ms. Alisha R. Malik	2021-22	-	-	-	-	136.32
	2020-21	-	-	-	-	44.65
Mrs. Sabina Malik Hadi	2021-22	-	-	-	-	76.94
	2020-21	-	-	-	-	29.77
Ms. Zarah Rafique Malik	2021-22	-	-	-	-	76.94
	2020-21	-	-	-	-	29.76
Mrs. Zia Malik Lalji	2021-22	-	-	-	-	76.94
	2020-21	-	-	-	-	29.77
Mrs. Rukshana Kurbanali Javeri	2021-22	-	-	-	-	3.65
	2020-21	-	-	-	-	0.91
Mrs. Mumtaz Jaffer	2021-22	-	-	-	-	0.38
	2020-21	-	-	-	-	0.09
Mr. Kaushal Parekh	2021-22	-	-	-	1.22	-
	2020-21	-	-	-	0.30	-
Aziza Malik Family Trust	2021-22	-	1,146.71	-	-	-
	2020-21	-	300.69	-	-	-
Rafique Malik Family Trust	2021-22	-	1,130.52	-	-	-
	2020-21	-	296.35	-	-	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	**Year**	**Subsidiary**	**Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence**	**Joint Venture**	**Key Management Personnel**	**Relatives of Key Management Personnel**
Zia Malik Family Trust	2021-22	-	59.54	-	-	-
	2020-21	-	14.88	-	-	-
Zarah Malik Family Trust	2021-22	-	59.54	-	-	-
	2020-21	-	14.88	-	-	-
Sabina Malik Family Trust	2021-22	-	59.54	-	-	-
	2020-21	-	14.88	-	-	-
Farah Malik Family Trust	2021-22	-	59.54	-	-	-
	2020-21	-	14.88	-	-	-
Mr. Suleiman Sadruddin Bhanji	2021-22	-	-	-	-	0.45
	2020-21	-	-	-	-	0.09
Final Dividend						
Mr. Rafique Malik	2021-22	-	-	-	30.38	-
	2020-21	-	-	-	37.46	-
Mrs. Farah Malik Bhanji	2021-22	-	-	-	89.30	-
	2020-21	-	-	-	110.14	-
Mrs. Aziza Malik	2021-22	-	-	-	-	15.19
	2020-21	-	-	-	-	18.73
Mr. J. J. Desai	2021-22	-	-	-	-	-
	2020-21	-	-	-	3.15	-
Mr. Subhash Malik	2021-22	-	-	-	-	-
	2020-21	-	-	-	0.09	-
Mr. Kaushal Parekh	2021-22	-	-	-	0.91	-
	2020-21	-	-	-	1.12	-
Ms. Alisha R. Malik	2021-22	-	-	-	-	133.95
	2020-21	-	-	-	-	165.21
Mrs. Sabina Malik Hadi	2021-22	-	-	-	-	89.30
	2020-21	-	-	-	-	90.59
Ms. Zarah Rafique Malik	2021-22	-	-	-	-	89.30
	2020-21	-	-	-	-	90.59
Mrs. Zia Malik Lalji	2021-22	-	-	-	-	89.30
	2020-21	-	-	-	-	90.59
Mrs. Rukshana Kurbanali Javeri	2021-22	-	-	-	-	2.73
	2020-21	-	-	-	-	2.89
Mrs. Mumtaz Jaffer	2021-22	-	-	-	-	0.27
	2020-21	-	-	-	-	0.34
Aziza Malik Family Trust	2021-22	-	902.08	-	-	-
	2020-21	-	1,112.56	-	-	-
Rafique Malik Family Trust	2021-22	-	889.06	-	-	-
	2020-21	-	1,096.51	-	-	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Zia Malik Family Trust	2021-22	-	44.65	-	-	-
	2020-21	-	55.07	-	-	-
Zarah Malik Family Trust	2021-22	-	44.65	-	-	-
	2020-21	-	55.07	-	-	-
Sabina Malik Family Trust	2021-22	-	44.65	-	-	-
	2020-21	-	55.07	-	-	-
Farah Malik Family Trust	2021-22	-	44.65	-	-	-
	2020-21	-	55.07	-	-	-
Mr. Suleiman Sadruddin Bhanji	2021-22	-	-	-	-	0.27
	2020-21	-	-	-	-	0.34
Professional Fees (capital cost)						
Design Matrix Interiors LLP	2021-22	-	280.38	-	-	-
	2020-21	-	124.28	-	-	-
Professional Fees						
Design Matrix Associated Private Limited	2021-22	-	-	-	-	-
	2020-21	-	25.00	-	-	-
Loan Repaid						
Metmill Footwear Private Limited (Refer Note 2 below)	2021-22	148.34	-	-	-	-
	2020-21	-	-	-	-	-
Interest On Loan Given						
Metmill Footwear Private Limited (Refer Note 2 below)	2021-22	8.84	-	-	-	-
	2020-21	22.25	-	-	-	-
Purchases of Stock-in-Trade (net of taxes)						
M.V. Shoe Care Private Limited	2021-22	-	-	965.01	-	-
	2020-21	-	-	622.19	-	-
Metmill Footwear Private Limited	2021-22	445.43	-	-	-	-
	2020-21	3,684.95	-	-	-	-
Expenses Incurred on behalf of the related party						
Metmill Footwear Private Limited	2021-22	1.22	-	-	-	-
	2020-21	14.17	-	-	-	-
Transport expenses						
Metmill Footwear Private Limited	2021-22	-	-	-	-	-
	2020-21	9.23	-	-	-	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

III. Outstanding receivables

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Subsidiary Company (Metmill Footwear Private Limited)		
Loan Given (Refer Note 2 below)	-	148.34
Enterprises in which KMP / Relatives of KMP are able to exercise significant influence (Metro Shoes)		
Rent	0.39	0.36

IV. Guarantee Given

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Subsidiary Company (Metmill Footwear Private Limited)		
Guarantee Given	-	2,500.00

V. Outstanding payables

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(9.64)	(5.60)
Mrs. Aziza Malik	(22.05)	(12.45)
Remuneration #		
Mr. Rafique Malik	-	(63.63)
Mrs. Farah Malik Bhanji	-	(30.91)
Mrs. Aziza Malik	-	(24.74)
Mr. Kaushal Parekh	-	(13.56)
Mr. Nissan Joseph	(0.21)	-
Mr. Mohammed Iqbal Hasanally Dossani	-	(3.89)
Ms. Tarannum Bhanpurwala	-	(0.70)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(3.24)	-
Remuneration		
Ms. Alisha Malik	-	(6.83)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(23.59)	(14.64)

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit for Rent (Compensation received in respect of rent for office)		
Metro Shoes	(0.99)	(0.99)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(54.30)	(21.60)
Joint Venture		
Purchases of Stock-in-trade	(628.90)	(653.33)
Subsidiary		
Purchases of Stock-in-trade	(351.61)	(446.36)

 # excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

Notes:

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to the related parties.

2) The company has provided loan to its subsidiary for working capital purposes. This loan is unsecured. The same has been repaid during the financial year ended March 31, 2022.

3) The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

28 The Company's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products, the disclosure of segment - wise information is not applicable under Ind AS 108 - 'Operating Segments'. Further, there is no geographical segment to be reported since all the operations are undertaken in India.

29 LEASES

Right-of-use Asset

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**49,960.19**	**48,146.53**
Additions during the year	22,416.85	13,117.02
Disposal	(1,020.68)	(2,049.64)
Depreciation expense for the year	(10,398.15)	(9,253.72)
Balance at the end of the year	**60,958.21**	**49,960.19**

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

Lease Liabilities

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**56,549.59**	**53,643.05**
Additions during the year	22,180.35	12,913.18
Disposal	(1,201.88)	(2,466.63)
Interest expense for the year	4,892.79	4,302.97
Lease payment during the year	(10,382.55)	(6,654.59)
Reduction in lease liability - Practical Expedient application (Refer note below)	(2,816.19)	(5,188.39)
Balance at the end of the year	**69,222.11**	**56,549.59**

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021.

Maturity analysis - contractual undiscounted cash flows

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 1 year	14,153.55	11,814.08
1 - 5 Year	47,879.03	38,879.08
More than 5 years	29,492.80	26,673.68
Total undiscounted lease liabilities at the end of the year	**91,525.38**	**77,366.84**
Lease Liabilities included in Financial statement at the end of the year	**69,222.11**	**56,549.59**
Current	9,403.72	7,684.98
Non-Current	59,818.39	48,864.61

Amounts recognised in Statement of profit and loss

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on lease liabilities	4,892.79	4,302.97
Depreciation of Right-of-use assets	10,398.15	9,253.72
Expenses relating to short term leases/Variable lease payments	4,073.75	2,378.00
Total	**19,364.69**	**15,934.69**

Amounts recognised in Statement of Cash Flows

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total Cash outflow for Leases	10,382.55	6,654.59

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

a) The Company incurred ₹ 4,073.75 Lakhs for the year ended March 31, 2022 (Previous year ₹ 2,378.00 Lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 10,382.55 Lakhs for the year ended March 31, 2022 (Previous year ₹ 6,654.59 Lakhs) excluding cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 4,892.79 Lakhs for the year ended March 31, 2022 (Previous year ₹ 4,302.97 Lakhs).

b) The Company's leases mainly comprise of showroom premises and warehouse premises.

30 BASIC AND DILUTED EARNINGS PER SHARE IS CALCULATED AS UNDER:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax as per Statement of Profit and Loss attributable to equity share holders (₹ in Lakhs)	20,763.57	7,252.44
Weighted average number of Equity Shares:		
- Basic	267,531,430	265,534,290
Add: Effect of Potential Equity Shares on employees stock options outstanding	979,781	83,969
- Diluted	268,511,211	265,618,259
Earnings per Share (in ₹)		
- Basic (₹)	7.76	2.73
- Diluted (₹)	7.73	2.73

Note: During the financial year 2020-21, the equity shares of the Company have been sub-divided from existing face value of ₹ 10/- per equity share to face value of ₹ 5/- per equity share.

31 EMPLOYEE STOCK OPTION PLAN 2008 (ESOP – 2008):

The Company had granted stock options (options) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the company as approved by the shareholders in the 31st Annual General Meeting held on September 11, 2008.

The said plan was further amended vide shareholders resolution dated August 5, 2021.

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

a) The particulars of the Options distributed under ESOP 2008 are as follows:

Particulars	ESOP
Eligibility	A permanent employee or a director of the Company (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Company.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period for options granted	The Company originally authorized 15,000 options for issue to eligible employees. In December, 2008, the same were increased to 45,000 options consequent to issue of bonus shares in the ratio 2:1
	On August 24, 2009, the Company granted 25,875 options to fourteen eligible employees. The vesting schedule for the options granted was 40% on September 15, 2009, 20% on September 15, 2010, 20% on September 15, 2011, and 20% on September 15, 2012.
	Further, on September 15, 2011 the Company granted 4,500 options to four eligible employees. The vesting schedule for the options granted in 2011 was 40% on September 15, 2012, 20% on September 15, 2013, 20% on September 15, 2014 and 20% on September 15, 2015.
	In November, 2012, outstanding options increased by 26,270 options consequent to issue of bonus shares in the ratio 2:1
	Further, on February 1, 2014 the Company granted 11,250 options to three eligible employees. The vesting schedule for the options granted in 2014 was 40% on February 1, 2016, 20% on February 1, 2017, 20% on February 1, 2018 and 20% on February 1, 2019.
	Further, on April 1, 2014 the Company granted 3,375 options to one eligible employee. The vesting schedule for the options granted in 2014 was 40% on April 1, 2015, 20% on April 1, 2016, 20% on April 1, 2017 and 20% on April 1, 2018.
	During the financial year 2018-19, some of the option holders exercised their options on various dates and in total were allotted 37,695 shares. Further, during the financial year 2018-19, in total 62,120 bonus options were issued in the ratio of 8:1.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of three years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Thirty days following the date of grantee's voluntary resignation (c) 3 months following the date of grantee's termination of employment due to grantee's retirement, disability or death (d) 6 months following the occurrence of change of control.
Method of Settlement	Equity Shares of face value ₹ 5/- each (Previous year Equity Shares of face value ₹ 5/- each)
Exercise Price	Weighted average exercise price for 85,500 (Previous year 85,500) stock options outstanding as at March 31, 2022 is ₹ 9.50/- (Previous year is ₹ 9.50/-)

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

b) The particulars of number of options granted and lapsed and the Price of Stock Options for Employees Stock Option plan 2008 (ESOP 2008) are as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Options outstanding at the beginning of the year	85,500	54,900
Lapsed during the year	-	(12,150)
Equity shares arising on shares split from ₹ 10/- to ₹ ₹ 5/- per share	-	42,750
Options outstanding at the end of the year	85,500	85,500

c) The following options were outstanding from the options granted under Employees Stock Option plan 2008 (ESOP 2008) as at March 31, 2022 and as at at March 31, 2021.

Options series	Number		Grant date	Expiry date	Exercise price		Fair value of option at grant date	
	As at March 31, 2022	As at March 31, 2021			As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Grant 1	60,750	60,750	24-Aug-09	2 years from the date of listing of Company's share in any recognised stock Exchange	6.02	6.02	4.47	4.47
Grant 2	24,750	24,750	15-Sep-11	2 years from the date of listing of Company's share in any recognised stock Exchange	18.06	18.06	9.70	9.70

d) On September 29, 2021, the Company granted 1,878,302 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.

Summary of stock options

Options outstanding on March 31, 2021	-
Options granted during the year	1,878,302
Options forfeited / lapsed during the year	(307,829)
Options exercised during the year	-
Options outstanding on March 31, 2022	1,570,473

Information in respect of options outstanding as at March 31, 2022

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	1,570,473	4.50

The fair value of the options granted during the year are as follows:

Grant date	No. of years vesting	Fair value per option (₹)
September 29, 2021	5 years	74.91
September 29, 2022	5 years	83.17
September 29, 2023	5 years	91.73
September 29, 2024	5 years	115.36
September 29, 2025	5 years	121.53

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : September 29, 2021 (5 years vesting)	
Risk free interest rate (%)	4.98% - 6.04%
Expected life / Time to Maturity (years)	3.50 - 7.50
Expected Volatility	38.2% - 43.6%
Expected dividend yield (%)	0.66%
Exercise price (₹)	228
Stock price (₹)	228.18

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 329.23 lakhs (Previous year ₹ NIL) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

32 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

₹ in Lakhs

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i)	amount required to be spent by the company during the year	323.76	406.38
(ii)	amount of expenditure incurred (Refer Note below)	460.06	214.06
(iii)	Shortfall at the end of the year	(56.01)	(192.32)
(iv)	total of previous years excess/(shortfall) (Refer Note below)	-	Not Applicable
(v)	reason for shortfall		
	The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2021 has been paid during the year ended March 31, 2022. Out of total shortfall for the current year ended March 31, 2022, ₹ 20.49 lakhs has been disbursed and ₹ 35.52 lakhs has been transferred to Unspent CSR Account on or before April 30, 2022.		
(vi)	nature of CSR activities		
	(a) Good health and well being		
	(b) Education		
	(c) Food Support		
	(d) Footwear distribution to needy		
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Note: Amount of expenditure incurred for the year ended March 31, 2022 includes ₹ 192.32 Lakhs spent towards shortfall for the year ended March 31, 2021.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

33 FINANCIAL INSTRUMENTS

33.1 Capital Management

Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Equity		
Equity Share Capital	13,575.37	13,276.71
Other Equity	110,213.81	67,187.86
Total Equity	**123,789.18**	**80,464.57**
Total Debt	**-**	**-**
Debt Equity Ratio	**NA**	**NA**

33.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Lakhs

Particulars	Hierarchy level	As at March 31, 2022	As at March 31, 2021
Financial Assets			
Measured at fair value through profit or loss			
- Investments in mutual funds	Level 2	31,773.10	35,703.89
- Investments in Bonds	Level 1	2,294.80	2,167.12
Measured at amortised cost			
- Trade receivables #	Level 2	3,027.75	2,248.60
- Cash and cash equivalents #	Level 2	5,936.62	2,176.98
- Other Bank balances #	Level 2	37,341.48	6,160.74
- Loans #	Level 2	142.46	336.23
- Other financial assets #	Level 2	6,425.58	5,033.38
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	1,337.53	1,365.91
Financial Liabilities			
Measured at amortised cost			
- Trade payables #	Level 2	23,452.16	20,251.62
- Other financial liabilities #	Level 2	2,068.63	1,445.47
- Lease Liabilities #	Level 2	69,222.11	56,549.59

 # The Company considers that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

33.3 Fair Value measurements

Fair valuation techniques and inputs used

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

— quoted prices for similar assets or liabilities in active markets

— quoted prices for identical or similar assets or liabilities in markets that are not active

— inputs other than quoted prices that are observable for the asset or liability, for example

    — interest rates and yield curves observable at commonly quoted intervals

    — implied volatilities

    — credit spreads

— inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market – corroborated inputs')

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Financial assets measured at fair value

Financial assets	Fair value as at (₹ in Lakhs) As at March 31, 2022	As at March 31, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Investments in Mutual funds	31,773.10	35,703.94	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in bonds	3,632.33	3,533.02	Level 1	Active market determined	NA	NA

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

33.4 Financial Risk Management

The Company's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A] CREDIT RISK

i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Company primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

ii) Trade and other receivables:

The Company's retail business is predominantly on cash and carry basis. The Company sells goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 6.6 % of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. As at March 31, 2022, the company had 4 customers (as at March 31, 2021 : 6 customers) that accounted for approximately 85% (as at March 31, 2021 : 85%) of the total receivables from Ecom customers, Institutional customers and raw material customers. The Company also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Company's experience of delinquencies and customer disputes have been minimal.

iii) Cash and cash equivalents and deposits with banks:

Credit risk on Cash and Cash Equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B] LIQUIDITY RISK

1) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

2) Maturity of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance equal their carrying balances as the impact of discounting is not significant.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

₹ in Lakhs

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Carrying amounts
As at March 31, 2022					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	23,452.16	-	-	-	23,452.16
Lease liabilities	14,153.55	26,071.51	21,807.52	29,492.80	91,525.38
Others	2,068.63	-	-	-	2,068.63
As at March 31, 2021					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	20,251.62	-	-	-	20,251.62
Lease liabilities	11,814.08	21,399.17	17,479.92	26,673.68	77,366.85
Others	1,445.47	-	-	-	1,445.47

The Group has access to following financing facilities which were undrawn as at the end of the year.

₹ in Lakhs

Undrawn financing facilities	As at March 31, 2022	As at March 31, 2021
Secured working capital facilities		
Amount Used	-	-
Amount Unused	2,898.00	2,000.00
Total	**2,898.00**	**2,000.00**

The above facility has been secured by a charge on Company's book debts, inventory, receivables, cash flows, and all current assets including cash-in-hand.

C] MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

1) Product Price risk

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps company protect itself from significant product margin losses.

2) Interest risk

The Company is not exposed to interest rate risk through the borrowing activities. The Company does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

3) Currency risk

The Company's significant transactions are in Indian rupees and therefore there is minimal foreign currency risk.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ in Lakhs, is as follows

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakhs	USD($) in Lakhs	₹ in Lakhs	USD($) in Lakhs
Trade Payables	12.46	0.17	11.09	0.15

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
USD sensitivity		
₹/USD -Increase by 1% #	(0.12)	(0.11)
₹/USD -Decrease by 1% #	0.12	0.11

 # Holding all other variables constant

34 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to any supplier at the end of the accounting year	620.17	173.47
The Interest due on the principal amount remaining unpaid to any supplier at the end of the accounting year	0.08	0.18
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	3.23	1.33
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.08	0.18
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note : Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

35 The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during employment and post employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to issued. In view of this, the impact of change, if any, for the company will be assessed and recognised post notification of the relevant provisions.

36 RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current Assets	133,166.68	82,142.13
Current Liabilities	42,783.63	31,856.65
Ratio	3.11	2.58
% Change from previous year	**21%**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current and non current borrowings

The Company do not have any outstanding borrowing as at year ended March 31, 2022 and March 31, 2021 and hence debt equity ratio is not applicable.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

The Company do not have any outstanding borrowing as at year ended March 31, 2022 and March 31, 2021 and hence debt service coverage ratio is not applicable.

d) Return on Equity Ratio / Return on investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit after tax	20,763.57	7,252.44
Total equity	123,789.18	80,464.57
Ratio	0.17	0.09
% Change from previous year	**89%**	

Reason for change more than 25%:

This ratio has increased from 0.09 in March 2021 to 0.17 in March 2022. This is mainly due to reduction in net profit in previous year on account of reduced sales due to Covid 19 pandemic. In the current year, there was impact on operations in the first half of the year on account of COVID 19 second wave, however there was recovery in business operations in the second half of the reporting year. This has resulted in increase in net profit for the year in comparison to the previous year.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2022	As at March 31, 2021
Cost of goods sold	54,957.51	35,181.17
Average Inventory	35,168.00	30,223.02
Inventory Turnover Ratio	1.56	1.16
% Change from previous year	**34%**	

Reason for change more than 25%:

This ratio has increased from 1.16 in March 2021 to 1.56 in March 2022. This is mainly due to increase in sales and corresponding increase in cost of goods sold. Further in March 2022 the average inventory level also increased as compare to March 2021 on account of increase in number of showrooms from 586 to 624 and business operations returning to normalcy.

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Credit Sales	8,656.33	5,363.91
Average Trade Receivables	2,398.81	1,422.23
Ratio	3.61	3.77
% Change from previous year	**-4%**	

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Credit Purchases	68,401.28	31,627.38
Average Trade Payables	21,851.88	17,857.87
Ratio	3.13	1.77
% Change from previous year	**77%**	

Reason for change more than 25%:

This ratio has increased from 1.77 in March 2021 to 3.13 in March 2022 mainly due to increased purchases on account of business operations returning to normalcy as compared to previous year. There has been a corresponding increase in the trade payables as at the year end.

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Sales	131,241.02	78,874.45
Current Assets (A)	133,166.68	82,142.13
Current Liabilities (B)	42,783.63	31,856.65
Net Working Capital (C) = (A) - (B)	90,383.06	50,285.48
Ratio	1.45	1.57
% Change from previous year	**-8%**	

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit after tax	20,763.57	7,252.44
Revenue from operation	131,241.02	78,874.45
Ratio	0.16	0.09
% Change from previous year	**78%**	

Reason for change more than 25%:

This ratio has increased from 0.09 in March 2021 to 0.16 in March 2022 mainly due to increase in net profit and sales on account of business operations returning to normalcy.

j) Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit after tax (A)	20,763.57	7,252.44
Finance Costs (B)	5,031.21	4,302.97
Total Tax Expense (C)	6,990.48	1,861.36
EBIT (D) = (A)+(B)+(C)	**32,785.26**	**13,416.77**
Capital Employed (G)=(E)-(F)	**183,607.57**	**129,329.18**
Total Assets (E)	226,391.20	161,185.83
Total current liabilities (F)	42,783.63	31,856.65
Ratio (D)/(G)	**0.18**	**0.10**
% Change from previous year	**80%**	

Reason for change more than 25%:

The return on capital employed has improved from 0.10 in March 2021 to 0.18 in March 2022 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to business operations returning to normalcy during the current year.

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2022	As at March 31, 2021
Income from investment	2,324.11	2,105.27
Closing balance of the investment	72,746.91	45,397.67
Ratio	0.03	0.05
% Change from previous year	**-40%**	

Reason for change more than 25%:

Return on investment ratio had decreased from 0.05 in March 2021 to 0.03 in March 2022 as the company had invested funds in liquid and short duration funds to avoid any liquidity crunch during the COVID 19 period where daily cash sales had reduced.

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

37 DETAILS OF TRANSACTIONS WITH COMPANIES STRUCK OFF UNDER SECTION 248 OF THE COMPANIES ACT, 2013.

Name of struck off company	Nature of transactions	Balance outstanding (₹ in lakhs)		Relationship
		As at March 31, 2022	As at March 31, 2021	
Octel Cloud Solutions Private Limited	Payables	-	0.01	-
Unisol India Pvt. Ltd.	Payables	-	0.21	-
Swift Property Services Private Limited	Payables	-	0.15	-

The above companies are struck off as per the MCA data as on March 31, 2022.

38 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

39 There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

40 The company has not traded or invested in crypto currency or virtual currency during the financial year.

41 (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 There is no immovable property whose title deed is not held in the name of the company.

43 Except below, there is no charge or satisfaction of charge which has been registered with Registrar of Companies (ROC) beyond the statutory period.

Description of the charge	Location of Registrar	Period of delay (in days)	Reason for delay
Loan Agreement Cum Guarantee deed in favour of HDFC Bank limited, no. 100500351, for ₹ 398 lakhs	Mumbai	29	Oversight

Notes forming part of the standalone financial statements

for the year ended March 31, 2022

44 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

45 The company have not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

46 The Company has been sanctioned working capital limits, from banks on the basis of security of current assets. The statements comprising of unhedged foreign currency exposure is filed by the Company with such banks are in agreement with the books of accounts of the Company.

47 The Company do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

48 There were no whistle blower complaints received by the Company during the year.

49 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable, in accordance with amendments to Schedule III.

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Independent Auditor's Report

To The Members of Metro Brands Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Metro Brands Limited** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which includes the Group's share of profit in its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary and joint venture referred to in the Other Matters section below, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition:** See Note 1.b.D and Note 17 to the consolidated financial statements Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. A significant part of Group's revenue relates to sales through a number of company owned outlets. These transactions are of high volume with individually small values. This creates an inherent risk of revenue not being recognised accurately. As a result, the related business processes and internal controls are critical in order to address the risk of error and fraud in the revenue business cycle. This is an area of audit focus and has led to the identification of revenue recognition as a key audit matter.	**Principal audit procedures performed:** In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standard. • Evaluated the design and implementation of key internal financial controls with respect to the revenue business cycle and tested the operating effectiveness of such controls including those related to the reconciliation of sales records to tender accepted (cash / credit card / online receipts), preparation, posting and approval of journal entries on the basis of selected transactions. • For samples selected, performed detailed testing of sale transactions during the year by agreeing daily sales statements, tender reconciliations from sales terminals with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits. • Performed cash counts, on a sample basis, at selected stores and examined whether the cash balances are in agreement with cash receipts report. • Tested sample journal entries out of a population of entries passed during the year, selected based on specified risk-based criteria, to identify unusual items. • Involved IT specialists to assist us in testing of general IT controls and key IT application controls (automated controls) relating to revenue recognition. • We carried out analytical procedures based on revenue store/ category /month-wise to identify unusual variances, if any.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors Report including annexures to Director's Report but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiary and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information

is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary and joint venture, is traced from their financial statements audited by the other auditors.

- When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated 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.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 5,063.40 lakhs as at March 31, 2022, total revenues of ₹ 3,531.88 lakhs and net cash outflows amounting to ₹ 237.19 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 profit of ₹ 124.32 lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports 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 subsidiary and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary and joint venture referred to in the Other Matters section above 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 purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies and its joint venture company incorporated in India is disqualified as on March 31, 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India, to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture (Refer Note 26 to the consolidated financial statements);

      ii) The Group and its joint venture did not have any material foreseeable losses on long- term contracts including derivative contracts.

      iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, its subsidiary company and joint venture company incorporated in India.

      iv) (a) The respective Managements of the Parent Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to accounts (Refer Note 44 to the consolidated financial statements), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiary to or in any other persons or entities, including foreign entities.

(b) The respective Managements of the Parent Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the notes to accounts (Refer Note 44 to the consolidated financial statements), no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiary from any persons or entities, including foreign entities.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 11.II to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

KETAN VORA
Partner
Membership No. 100459
(UDIN: 22100459AJIBKH7668)

Place: Coorg
Date: May 20, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Metro Brands Limited (hereinafter referred to as "Parent") and its subsidiary company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Parent and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is a company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 OVER FINANCIAL REPORTING

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

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, which is a company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No.117365W)

KETAN VORA
Partner
Membership No. 100459
(UDIN: 22100459AJIBKH7668)

Place: Coorg
Date: May 20, 2022

Consolidated Balance Sheet

as at March 31, 2022

₹ in Lakhs

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	23,502.08	22,001.75
(b) Capital work-in-progress	2e	557.69	421.50
(c) Right-of-use assets	2b	60,958.21	49,960.19
(d) Intangible assets	2c	316.77	396.40
(e) Intangible assets under development	2f	61.66	32.87
(f) Financial assets			
(i) Investment in Joint Venture	3	848.56	729.98
(ii) Other financial assets	5	5,487.80	4,328.54
(g) Deferred tax assets (Net)	25a	2,229.91	1,666.56
(h) Non-current tax assets (Net)	25b	294.51	311.47
(i) Other non-current assets	6	357.47	294.23
Total non - current assets		**94,614.66**	**80,143.49**
2 Current assets			
(a) Inventories	7	42,419.25	28,975.47
(b) Financial assets			
(i) Investments	3	35,405.43	39,236.92
(ii) Trade receivables	8	5,771.83	5,055.12
(iii) Cash and cash equivalents	9a	6,154.12	2,631.67
(iv) Bank Balances other than (iii) above	9b	37,341.48	6,160.74
(v) Loans	4	149.24	187.88
(vi) Other financial assets	5	1,911.01	1,311.21
(c) Other current assets	6	7,311.80	2,231.07
		136,464.16	**85,790.08**
Assets classified as held for sale	2d	338.04	-
Total current assets		**136,802.20**	**85,790.08**
Total assets (1+2)		**231,416.85**	**165,933.57**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	13,575.37	13,276.71
(b) Other equity	11	112,893.94	69,480.56
Equity attributable to the owners of the Company		**126,469.31**	**82,757.27**
Non-Controlling Interests	11	2,244.48	1,986.18
Total equity		**128,713.79**	**84,743.45**
2 Non-current liabilities			
(a) Financial Liabilities			
Lease liabilities	30	59,818.39	48,864.61
(b) Provisions	14	63.13	63.46
Total non - current liabilities		**59,881.52**	**48,928.07**
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	-	140.56
(ii) Lease liabilities	30	9,403.72	7,684.98
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	15	702.03	220.49
Total Outstanding dues of creditors other than micro enterprises and small enterprises	15	22,733.32	20,244.37
(iv) Other financial liabilities	13	2,068.63	1,445.47
(b) Other current liabilities	16	6,634.90	2,008.51
(c) Provisions	14	400.60	83.66
(d) Current tax liabilities (Net)	25c	878.34	434.01
Total current liabilities		**42,821.54**	**32,262.05**
Total equity and liabilities (1+2+3)		**231,416.85**	**165,933.57**

See accompanying notes from 1 to 52 forming part of the Consolidated financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

₹ in Lakhs

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Revenue from operations**	17	134,293.05	80,005.67
II	**Other Income**	18	5,863.95	7,848.14
III	**Total Income (I + II)**		**140,157.00**	**87,853.81**
IV	**Expenses**			
	(a) Purchases of stock-in-trade	19a	70,034.09	27,410.17
	(b) Changes in inventories of stock-in-trade	19b	(13,443.78)	8,637.62
	(c) Employee benefits expense	21	12,124.46	10,260.21
	(d) Finance Costs	22	5,042.90	4,481.38
	(e) Depreciation and amortization expenses	20	13,423.52	12,184.42
	(f) Other expenses	23	24,661.83	16,429.45
	Total Expenses (IV)		**111,843.02**	**79,403.25**
V	**Profit before tax and before share of profit of a Joint Venture (III-IV)**		**28,313.98**	**8,450.56**
VI	**Tax expense**			
	(a) Current tax	24	7,580.45	2,354.65
	(b) Deferred tax (credit)	24	(561.80)	(425.95)
	Total tax expense		**7,018.66**	**1,928.70**
VII	**Profit after tax for the year and before share of profit of a Joint Venture (V-VI)**		**21,295.32**	**6,521.86**
VIII	**Share of profit/(loss) of a Joint Venture**		124.32	(59.79)
IX	**Profit after tax for the year (VII+VIII)**		**21,419.64**	**6,462.07**
X	**Other comprehensive income**		**40.99**	**184.61**
	(i) Items that will not be reclassified to profit or loss			
	- Gain / (Loss) on remeasurements of the defined benefit plans			
	(i) Group		100.34	148.52
	(ii) Share in Joint Venture		(5.73)	0.56
	- Income tax relating to items that will not be reclassified to profit or loss		(25.25)	(37.39)
	(ii) Items that will be reclassified to profit or loss			
	- Gain/(Loss) arising on fair value of investments designated at FVOCI		(28.37)	72.92
	- Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total comprehensive income for the year (IX+X)**		**21,460.64**	**6,646.68**
	Profit/(loss) for the year attributable to:			
	- Owners of the Company		21,159.08	6,820.06
	- Non-controlling interests		260.57	(357.99)
			21,419.65	**6,462.07**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		43.26	187.10
	- Non-controlling interests		(2.27)	(2.49)
			40.99	**184.61**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		21,202.34	7,007.16
	- Non-controlling interests		258.30	(360.48)
			21,460.64	**6,646.68**
	Earnings per equity share (Face value of ₹ 5 each):			
	Basic (₹)	31	8.01	2.43
	Diluted (₹)	31	7.98	2.43

See accompanying notes from 1 to 52 forming part of the Consolidated financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax for the year	28,313.98	8,450.56
Adjustments for:		
Finance Cost	11.69	62.49
Depreciation and amortization expenses	13,423.52	12,184.42
Interest Expense	4,892.79	4,302.97
Rent Concession on account of COVID - 19	(2,816.19)	(5,188.39)
Net unrealised exchange loss/(gain)	(0.01)	0.13
Loss on Sale / Discard of Property Plant & Equipment (net)	329.84	258.03
Dividend income from Current Investments in Mutual Funds	-	(52.02)
Net gain on sale of Investments	(366.36)	(472.63)
Net Gain arising on Investments designated as FVTPL	(1,211.36)	(1,359.48)
Interest Income	(1,081.20)	(530.78)
Allowance for expected credit losses, advances and deposits	33.73	76.93
Liabilities no longer required, written back	(180.31)	(88.26)
Advances written off	49.32	70.35
Net Gain on derecognition of financial liability at amortized cost	-	(10.94)
Employee's Stock Options Expenses	329.23	-
Operating profit before working capital changes	**41,728.66**	**17,703.38**
Movement in working capital:		
(Increase)/Decrease in Trade Receivable	(750.44)	1,970.42
(Increase) in other financial assets	(1,473.35)	(351.17)
(Increase)/Decrease in other current assets	(4,791.13)	491.75
(Increase)/Decrease in Inventories	(13,443.77)	8,637.61
(Increase) in other non-current assets	(60.59)	(103.06)
Increase/(Decrease) in trade and other payables	2,777.94	(305.47)
Increase in Other current liabilities	4,626.39	567.13
Increase/(Decrease) in Other financial liabilities	84.90	(38.80)
Increase/(Decrease) in Provisions	416.95	(8.32)
	(12,613.10)	**10,860.09**
Cash generated from operations	**29,115.57**	**28,563.47**
Less: Income taxes paid	(7,145.97)	(2,035.81)
Net cash generated from operating activities	**21,969.60**	**26,527.66**
Cash flow from investment activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(4,791.69)	(2,510.21)
Proceeds from Sale / Discard of Property, Plant & Equipment	48.37	35.44
Interest Received	675.97	187.69
Bank Balances (including Non Current) not considered as Cash and Cash equivalents	(31,406.31)	(6,716.96)
Purchase of Current Investments	(29,998.35)	(48,438.17)
Redemption of Current Investments	35,379.20	45,152.28
Dividend Income from Mutual Funds	-	52.02
Net cash used in investment activities	**(30,092.82)**	**(12,237.91)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from financing activities		
Proceeds from issue of shares	29,240.34	-
Repayments from borrowings	(140.56)	(1,011.76)
Payment of Lease Liabilities	(10,382.55)	(6,654.59)
Finance Cost	(11.69)	(62.49)
Payment of Final and Interim Dividend	(7,059.87)	(4,978.77)
Net cash from/(used in) financing activities	**11,645.67**	**(12,707.61)**
Net increase in cash and cash equivalents	**3,522.45**	**1,582.14**
Cash and cash equivalents at the beginning of the year	2,631.67	1,049.53
Cash and cash equivalents at the end of the year [Refer Note 9a]	6,154.12	2,631.67

See accompanying notes from 1 to 52 forming part of the Consolidated financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	13,276.71	13,276.71
Changes in equity share capital during the year		
Shares issued through Private Placement	3.66	-
Shares issued through Initial Public Offer ('IPO')	295.00	-
Balance at the end of the year	**13,575.37**	**13,276.71**

B. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus					Other Comprehensive Income			
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Investment designated at FVOCI	Attributable to the owners of the Company	Non Controlling Interest	Total
Balance as at April 1, 2021	**77.53**	**29.00**	**2.85**	**-**	**69,317.84**	**63.74**	**69,480.56**	**1,986.18**	**71,466.74**
Profit for the year	-	-	-	-	21,159.08	-	21,159.08	260.57	21,419.65
Other comprehensive income for the year (net of income tax)	-	-	-	-	71.63	(28.37)	43.26	(2.27)	40.99
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**21,230.71**	**(28.37)**	**21,202.34**	**258.30**	**21,460.64**
Employee stock option plan recognized	-	-	-	329.23	-	-	329.23	-	329.23
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	-	29,525.74	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	-	(584.06)	-	(584.06)
Payment of Interim Dividend	-	-	-	-	(2987.26)	-	(2987.26)	-	(2987.26)
Payment of Final Dividend	-	-	-	-	(4072.61)	-	(4072.61)	-	(4072.61)
Balance as at March 31, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**83,488.68**	**35.37**	**112,893.94**	**2,244.48**	**115,138.42**
Balance as at April 1, 2020	**77.53**	**29.00**	**-**	**2.85**	**67,362.35**	**(9.18)**	**67,452.15**	**2,346.66**	**69,798.81**
Profit for the year	-	-	-	-	6,820.07	-	6,820.07	(357.99)	6,462.08
Other comprehensive income (net of income tax)	-	-	-	-	114.18	72.92	187.10	(2.49)	184.61
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**6,934.25**	**72.92**	**7,007.17**	**(360.48)**	**6,646.69**
Payment of Interim Dividend	-	-	-	-	(995.75)	-	(995.75)	-	(995.75)
Payment of Final Dividend	-	-	-	-	(3983.01)	-	(3983.01)	-	(3983.01)
Transfer from ESOP outstanding reserve to General reserve	-	-	2.85	(2.85)	-	-	-	-	-
Balance as at March 31, 2021	**77.53**	**29.00**	**2.85**	**-**	**69,317.84**	**63.74**	**69,480.56**	**1,986.18**	**71,466.74**

See accompanying notes from 1 to 52 forming part of the Consolidated financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

NOTE 1.a - CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company and its subsidiary company (together referred to as 'the Group') and the Joint Venture (JV) are engaged in trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products.

The address of the Company's registered office and principal place of business are given below.

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070.

The consolidated financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 20, 2022.

NOTE 1.b - SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation and Presentation of Consolidated Financial Statements

The consolidated financial statements of the Group have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, considering other relevant provisions of the Act.

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All amounts are rounded to the nearest lakhs except when otherwise indicated. The consolidated financial statements have been prepared in accordance with the amended Schedule III and accordingly previous year's numbers have been regrouped / reclassed (as necessary) and incremental disclosures have been made to compare with current year disclosures.

The consolidated financial statements of the Group have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services.

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of Consolidation:

Subsidiary:

Subsidiary is an entity over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control. Subsidiary is fully consolidated from the date on which control is transferred to the Group, and is de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity. Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

Joint Venture:

The Company's investment in a joint venture is accounted for by the Equity Method. On acquisition of the investment in Joint venture, the excess of the Company's share of the net fair values of the Joint venture's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as Capital Reserve. The carrying amount is increased or decreased to recognize the Company's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. Distributions received from the joint venture reduce the carrying amount of the investment. The carrying amount of the investment is tested for impairment at each reporting date.

The unrealised gains/losses resulting from transactions with joint venture are eliminated against the investment to the extent of the Group's interest in the investee. However unrealised losses are eliminated only to the extent that there is no evidence of impairment.

B) Principles of Consolidation:

The consolidated financial statements relate to the Group and its Joint Venture. The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the subsidiary company and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2022.

ii. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses (net of deferred tax), unless cost cannot be recovered.

iii. The excess of cost to the Group of its investment in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made are made/acquired, is recognised in the financial statement as 'Goodwill' being an asset in the consolidated financial statements. Similarly, where the share of equity in the subsidiary company as on the dates of investment/acquisition is in excess of cost of the investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

C) Going Concern:

The consolidated financial statements of the Group have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

existing accounting standard requires change in accounting policy hitherto in use.

D) Revenue Recognition:

I) Sale of Goods:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Group expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Sale of Gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for the purchase of products and products sold is qualified for revenue recognition.

The Group operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Group's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. The Group recognises the consideration allocated to loyalty points, when the loyalty points are redeemed.

II) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

E) Property, Plant and Equipment and Intangible Assets:

Property, Plant and Equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. Any expected loss is recognised immediately in the Consolidated statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Consolidated statement of Profit and Loss.

On transition to Ind AS the Group had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Based on this item of Property, Plant and Equipment existing as on the date of transition to Ind AS are carried at deemed cost. This exemption has also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Depreciation:
Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset:

- Leasehold improvements are amortised on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

Intangible Assets:
Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

Intangible assets are amortised over their estimated useful life as follows:-

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years
- Commercial Rights - 10 years

Capital Work in Progress:
Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets under Development:
Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

F) Impairment of Assets:

At the end of each reporting period, the Group reviews the carrying amounts of its Property, plant and equipment and Intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior periods. A reversal of an impairment loss is recognised immediately in the Consolidated statement of Profit or Loss.

G) Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

authorities), freight inward and other related incidental expenses incurred in bringing the inventory to its present condition and location.

Subsidiary:

The inventory has been valued as per the First in First out method.

Joint Venture:

1) **Raw Materials**

These are valued at cost. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of raw material is determined on first in first out basis (FIFO).

2) **Stock-in Trade**

These are valued at lower of cost and net realisable value. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of stock-in trade is determined on first in first out basis (FIFO).

3) **Manufactured Finished Goods**

These are valued at lower of cost and net realisable value. Cost includes cost of raw material, cost of conversion such as overheads and other costs incurred in bringing such inventories to its present location and condition based on actual level of production. Costs of manufactured finished goods determined on first in first out basis (FIFO).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

Devaluation on inventories is considered on the basis of management's best estimate of demand and expected turnover of the inventories.

H) Taxation:

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax:

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Consolidated statement of Profit and Loss because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with the Income Tax Act, 1961.

Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Current Tax and Deferred Tax for the year:

Current and deferred tax recognised in the profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively.

I) Employee Benefits:

Employee Benefit Expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses, share based payments expenses and staff welfare expenses.

Short-Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of non-accumulating compensated absences, the cost of short-term compensated absences is accounted when the absences occur.

Long-Term Employee Benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liabilities recognised in respect of other long term employee benefits are measured at present value of the estimated future cash flow expected to be made by the Group in respect of services provided by employees up to the reporting date.

I) Defined Contribution Plan:

The Provident Fund is a defined contribution scheme. The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary. The Group's contribution is recognised as an expense in the Consolidated statement of Profit and Loss during the period in which the employee renders the related service.

II) Defined Benefit Plan:

The Group has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an Insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated at each reporting period by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments, return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined Benefit Costs are Split into:

- Service Cost, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or income.
- Remeasurements.

The Group recognises service cost within profit and loss as employee benefit expenses. Net interest expense or income is recognised within finance costs.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

J) Foreign Currencies:

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are translated using the closing exchange rate as on Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

K) Employees Stock Option Plan (ESOP):

In respect of Employee Stock Options, the Group measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Company's estimate of equity instruments that will eventually vest.

L) Provisions, Contingent Liabilities and Contingent Assets:

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for Warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent Liabilities are disclosed when there is:

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made.

M) Financial Instruments:

Financial assets and financial liabilities are recognised when a Group becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated statement of Profit and Loss.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Financial Assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Group classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Consolidated statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual Fund Investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net changed in fair value recognised in the Consolidated statement of profit and loss.

(ii) Impairment of Financial Assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments at FVOCI. For trade receivables, loans and advances given, the Group measure the loss allowance at an amount equal to lifetime expected credit losses. This expected credit loss allowance is computed based on historical credit loss experience and adjusted for forward looking information. The computation also takes into consideration whether there has been a significant increase in credit risk.

(iii) Derecognition of Financial Assets:

A financial asset is derecognised only when:

- the Group has transferred the contractual rights to receive cash flows of the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Financial Liabilities:
Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities:
The Group derecognises financial liabilities when, and only when the Group's obligation are discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated statement of Profit or Loss.

N) Leases:

The Group's lease asset classes primarily consist of leases for Showroom Premise. The Group assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i) the contract involves the use of an identified asset

ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Practical expedient for rent concession due to COVID-19
The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021, on IND- AS 116 for rent concessions which are granted due to COVID-19 pandemic included as a part of notes. Accordingly charge in lease payments resulting from rent concessions would be recognised under "Other Income".

O) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

P) Statement of Cash Flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

Q) Cash and Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

R) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Group is presented (Refer Note 29).

S) Share Issue Expenses:

The share issue expenses incurred by the Company on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Company on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as Initial Public Offering (IPO) expenses recoverable under other current assets.

NOTE 1.c - CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparing the consolidated statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving critical estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

- Estimation of Revenue arising from Loyalty points [Refer Note 1.b(C)(I)]
- Estimation of useful life of Property, Plant and Equipment [Refer Note 1.b(D)]
- Estimation of Defined Benefit Obligation [Refer Note 1.b(H)(II)]
- Fair value measurements and valuation process. 1.b(L)(I)]
- Impairment of Financial Assets [Refer Note 1.b(L)(II)]

NOTE 1.d – RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, Plant and Equipment: The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The 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 effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 109 – Financial Instruments – Annual Improvements to Ind AS: The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

2a. PROPERTY, PLANT AND EQUIPMENT:

₹ in Lakhs

Particulars	Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at April 1, 2020	**11,122.29**	**13,203.84**	**3,648.07**	**3,062.24**	**442.61**	**1,123.05**	**32,602.10**
Additions	-	1,704.18	817.67	384.47	29.37	88.68	3,024.37
Disposals	-	(735.42)	(114.15)	(110.07)	-	(10.38)	(970.02)
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	**11,122.29**	**14,172.60**	**4,351.59**	**3,336.64**	**471.98**	**1,201.35**	**34,656.45**
Balance as at April 1, 2021	**11,122.29**	**14,172.60**	**4,351.59**	**3,336.64**	**471.98**	**1,201.35**	**34,656.45**
Additions	-	2,822.07	1,248.14	619.05	140.90	266.25	5,096.41
Disposals	-	(1,521.98)	(244.85)	(270.26)	(98.11)	(294.56)	(2,429.76)
Assets classified as held for sale	(410.78)	-	-	-	-	-	(410.78)
Balance as at March 31, 2022	**10,711.51**	**15,472.69**	**5,354.88**	**3,685.43**	**514.77**	**1,173.04**	**36,912.32**
II. Accumulated depreciation							
Balance as at April 1, 2020	**972.53**	**6,121.10**	**1,356.42**	**1,208.24**	**179.28**	**705.04**	**10,542.61**
Depreciation expense for the year	238.08	1,564.68	405.99	359.34	51.95	168.60	2,788.64
Eliminated on disposal of assets	-	(510.68)	(75.97)	(80.44)	-	(9.46)	(676.55)
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	**1,210.61**	**7,175.10**	**1,686.44**	**1,487.14**	**231.23**	**864.18**	**12,654.70**
Balance as at April 1, 2021	**1,210.61**	**7,175.10**	**1,686.44**	**1,487.14**	**231.23**	**864.18**	**12,654.70**
Depreciation expense for the year	238.08	1,589.80	447.90	364.49	57.23	182.33	2,879.83
Eliminated on disposal of assets	-	(1,290.41)	(181.99)	(229.39)	(69.14)	(280.62)	(2,051.55)
Assets classified as held for sale	(72.74)	-	-	-	-	-	(72.74)
Balance as at March 31, 2022	**1,375.95**	**7,474.49**	**1,952.35**	**1,622.24**	**219.32**	**765.89**	**13,410.24**
Net carrying amount (I-II)							
Balance as at March 31, 2022	**9,335.56**	**7,998.20**	**3,402.53**	**2,063.19**	**295.45**	**407.15**	**23,502.08**
Balance as at March 31, 2021	**9,911.68**	**6,997.50**	**2,665.15**	**1,849.50**	**240.75**	**337.18**	**22,001.75**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

2b. RIGHT-OF-USE ASSETS

₹ in Lakhs

Particulars	Total
I. Cost	
Balance as at April 1, 2020	**57,070.91**
Additions	13,117.02
Disposals	(2,049.64)
Impairment	(102.92)
Balance as at March 31, 2021	**68,035.37**
Balance as at April 1, 2021	**68,035.37**
Additions	22,416.85
Disposals	(1,020.68)
Balance as at March 31, 2022	**89,431.54**
II. Accumulated Depreciation	
Balance as at April 1, 2020	**8,821.46**
Depreciation expense for the year	9,253.72
Balance as at March 31, 2021	**18,075.18**
Balance as at April 1, 2021	**18,075.18**
Depreciation expense for the year	10,398.15
Balance as at March 31, 2022	**28,473.33**
Net carrying amount (I-II)	
Balance as at March 31, 2022	**60,958.21**
Balance as at March 31, 2021	**49,960.19**

2c. INTANGIBLE ASSETS (REPRESENTS OTHER THAN INTERNALLY GENERATED INTANGIBLE ASSETS):

₹ in Lakhs

Particulars	Copyrights	Commercial Rights	Trademarks	Computer Software	Total
I. Cost					
Balance as at April 1, 2020	**26.00**	**41.00**	**231.88**	**902.85**	**1,201.73**
Additions	-	-	-	43.13	43.13
Disposals	-	-	-	-	-
Balance as at March 31, 2021	**26.00**	**41.00**	**231.88**	**945.98**	**1,244.86**
Balance as at April 1, 2021	**26.00**	**41.00**	**231.88**	**945.98**	**1,244.86**
Additions	-	-	-	65.93	65.93
Disposals	-	-	-	(4.49)	(4.49)
Balance as at March 31, 2022	**26.00**	**41.00**	**231.88**	**1,007.42**	**1,306.30**
II. Accumulated amortization					
Balance as at April 1, 2020	**26.00**	**41.00**	**149.15**	**490.25**	**706.40**
Amortization expense for the year	-	-	10.41	131.65	142.06
Balance as at March 31, 2021	**26.00**	**41.00**	**159.56**	**621.90**	**848.46**
Balance as at April 1, 2021	**26.00**	**41.00**	**159.56**	**621.90**	**848.46**
Amortization expense for the year	-	-	10.41	135.14	145.55
Eliminated on disposal of assets / write off	-	-	-	(4.48)	(4.48)
Balance as at March 31, 2022	**26.00**	**41.00**	**169.97**	**752.56**	**989.53**
Net carrying amount (I-II)					
Balance as at March 31, 2022	**-**	**-**	**61.91**	**254.87**	**316.77**
Balance as at March 31, 2021	**-**	**-**	**72.32**	**324.08**	**396.40**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

2d. ASSETS CLASSIFIED AS HELD FOR SALE :

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Building	338.04	-
Total	**338.04**	**-**

2e. CAPITAL WORK-IN-PROGRESS (CWIP) :

₹ in Lakhs

As at March 31, 2022	557.69
As at March 31, 2021	421.50

Capital work-in-progress Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	553.49	0.65	1.88	-	556.02
Projects temporarily suspended	1.67	-	-	-	1.67
Total	**555.16**	**0.65**	**1.88**	**-**	**557.69**

Completion schedule for Capital work-in-progress which is overdue for completion is given below :

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
SBP (Metro - Showroom)	28.63	0.16	-	-	28.79
ITM (Mochi- Showroom)	-	0.29	-	-	0.29
DDR - MUMBAI (Metro- Showroom)	27.22	-	0.75	-	27.97
SON (Metro- Showroom)	15.46	0.07	-	-	15.53
BFM (Mochi- Showroom)	-	0.13	1.13	-	1.26
Total	**71.31**	**0.65**	**1.88**	**-**	**73.84**

As at March 31, 2021

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	397.39	23.07	-	-	420.46
Projects temporarily suspended	0.08	0.96	-	-	1.04
Total	**397.47**	**24.03**	**-**	**-**	**421.50**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Completion schedule for Capital work-in-progress which is overdue for completion is given below:

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
BBC - CUTTACK (Metro - Showroom)	-	0.16	-	-	0.16
BFM - BENGALURU (Mochi - Showroom)	0.13	1.13	-	-	1.26
CBQ - CHENNAI (Crocs - Showroom)	22.39	0.04	-	-	22.43
CHQ - CHANDIGARH (Crocs - Showroom)	-	0.01	-	-	0.01
DDR - MUMBAI (Metro - Showroom)	-	0.75	-	-	0.75
HTQ - HYDERABAD (Crocs - Showroom)	11.14	15.25	-	-	26.39
JBL - JABALPUR (Metro - Showroom)	32.78	1.14	-	-	33.92
JMN - JAMNAGAR (Metro - Showroom)	32.80	0.26	-	-	33.06
MBM - MAHARASHTRA (Metro - Showroom)	-	0.75	-	-	0.75
MLQ - KERALA (Crocs - Showroom)	-	0.50	-	-	0.50
MUS - MADURAI (Metro - Showroom)	41.89	0.12	-	-	42.01
NCM - NOIDA (Mochi - Showroom)	-	1.19	-	-	1.19
NCQ - UTTAR PRADESH (Crocs - Showroom)	-	0.50	-	-	0.50
RHM - JHARKHAND (Mochi - Showroom)	-	0.18	-	-	0.18
RIP - RAIPUR (Metro - Showroom)	-	0.96	-	-	0.96
TLM - KERALA (Mochi - Showroom)	-	0.03	-	-	0.03
TLQ - KERALA (Crocs - Showroom)	-	0.03	-	-	0.03
TLU - KERALA (Metro - Showroom)	-	0.06	-	-	0.06
Total	**141.13**	**23.06**	**-**	**-**	**164.19**

Suspended sites

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MLP - Kerala (Metro-Showroom)*	-	0.96	-	-	0.96

** The suspended site was cancelled and written off in current year.*

Note : For all periods, Capital work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipment, design fee, transportation cost etc.

2f. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lakhs

As at March 31, 2022	61.66
As at March 31, 2021	32.87

Note: The Company does not have any Intangibe asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Intangible assets under development ageing schedule

As at March 31, 2022

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.37	15.29	-	-	61.66
Projects temporarily suspended	-	-	-	-	-
Total	**46.37**	**15.29**	**-**	**-**	**61.66**

As at March 31, 2021

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	32.87	-	-	-	32.87
Projects temporarily suspended	-	-	-	-	-
Total	**32.87**	**-**	**-**	**-**	**32.87**

3. INVESTMENTS

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
A. Investments carried at cost						
Unquoted Investments (at cost) - fully paid up						
Investment in Equity instrument of Joint Venture (carrying amount determined using the equity method of accounting)						
Equity shares of ₹ 10/- each in M.V.Shoe Care Pvt. Ltd.	6,860,000.00	-	520.52	6,860,000.00	-	520.52
Add : Share in accumulated Profits/Reserves	-	-	328.04	-	-	209.46
	6,860,000.00	-	848.56	6,860,000.00	-	729.98
B. Investments carried at FVOCI						
Quoted Investments						
Investments in Bonds						
7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50.00	565.65	-	50.00	575.35	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	170.13	-	14,285.00	172.61	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	601.75	-	50.00	617.95	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
C. Investments carried at FVTPL						
Unquoted Investments						
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
NIPPON India Income Fund - Direct Growth	-	-	-	1,756,138.73	1,325.23	-
HDFC Gilt Fund - Direct Plan - Growth Option	-	-	-	3,078,537.21	1,378.20	-
Kotak Banking and PSU Debt Fund Direct Growth	-	-	-	4,931,736.46	2,541.01	-
ICICI Prudential Ultra Short Term Fund Direct Plan Growth	13,350,590.83	3,192.25	-	13,350,590.83	3,054.25	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	556.11	-	25,427.47	533.41	-
AXIS Arbitrage Fund - Direct Growth	15,667,436.09	2,535.99	-	10,020,092.66	1,547.37	-
Edelweiss Arbitrage Fund - Direct Plan Growth	14,957,848.23	2,465.58	-	16,845,074.98	2,652.64	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan Growth	8,472,841.06	2,481.74	-	9,532,102.62	2,673.96	-
Kotak Equity Arbitrage Fund- Direct Plan Growth	9,127,665.62	2,890.64	-	8,506,443.00	2,575.84	-
L&T Arbitage Opportunities Direct Plan - Growth	8,628,040.43	1,401.97	-	8,628,040.43	1,344.59	-
HDFC Ultra Short Term Fund - Direct Growth	-	-	-	27,404,265.81	3,271.90	-
NIPPON India Arbitrage fund - Direct Growth	14,382,699.66	2,021.50	-	-	-	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Income Plus - Growth - Direct Plan	1,590,562.15	1,741.39	-	1,590,562.15	1,643.52	-
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	-	-	-	283,731.80	1,211.07	-
Aditya Birla Sunlife Banking and PSU Debt Fund - Growth - Direct Plan	863,506.52	2,627.88	-	863,506.52	2,501.75	-
ICICI Prudential Savings Fund - Direct Plan	-	-	-	485,296.47	2,036.73	-
Face Value of ₹ 1,000.00 each						
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	233,194.71	800.15	-	-	-	-
Kotak Money Market Fund -Direct Plan - Growth	-	-	-	37,509.70	1,306.76	-
AXIS Liquid Fund - Direct Growth	-	-	-	4,589.23	104.85	-
HDFC Money Market Fund - Direct Plan	85,955.29	4,001.05	-	51,030.84	2,283.08	-
Invesco India Liquid Fund - Direct Plan Growth	-	-	-	25,337.38	716.05	-
TRUSTMF Banking and PSU Debt Fund - Direct Plan	99,995.00	1,055.98	-	99,995.00	1,001.68	-
TRUSTMF Liquid Fund Direct Plan - Growth	63,126.66	651.46	-	-	-	-
NIPPON India Arbitrage fund - Direct Growth	99,965.62	3,349.41	-	-	-	-
Quoted Investments						
Bharat Bond ETF - April 2030 of ₹ 1000 each	100,000.00	1,205.79	-	100,000.00	1,131.19	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	1,089.01	-	99,995.00	1,035.93	-
Total (Aggregate amount of unquoted investments)		**31,773.10**	**848.56**		**35,703.89**	**729.98**
Total (Aggregate amount of quoted investments)		**3,632.33**	**-**		**3,533.03**	
Total		**35,405.43**	**848.56**		**39,236.92**	**729.98**
Aggregate market value of quoted investments		**3,632.33**			**3,533.03**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

4. LOANS (UNSECURED, CONSIDERED GOOD) - CURRENT

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to employees	30.62	19.43
Loans to Selling agents, Retail agents, Supervisors and others	118.62	168.45
Total	**149.24**	**187.88**

Note: The Group do not have any loans which are credit impared or where there is significant increase in credit risk.

5. OTHER FINANCIAL ASSETS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Considered good- Unsecured	1,519.05	4,631.02	6,150.07	1,186.03	3,697.33	4,883.36
Credit Impaired	15.62	-	15.62	15.62	-	15.62
	1,534.67	**4,631.02**	**6,165.69**	**1,201.65**	**3,697.33**	**4,898.98**
Less: Allowance for expected credit losses (Refer Note below)	(15.62)	-	(15.62)	(15.62)	-	(15.62)
	1,519.05	**4,631.02**	**6,150.07**	**1,186.03**	**3,697.33**	**4,883.36**
Deposits with banks for more than 12 months maturity from the Balance Sheet date	-	856.78	856.78	-	631.21	631.21
Insurance Claim Receivable	14.26	-	14.26	6.79	-	6.79
Interest accrued on deposits with banks and investments	240.34	-	240.34	118.39	-	118.39
Recoverable from Suppliers	137.36	-	137.36	-	-	-
Total	**1,911.01**	**5,487.80**	**7,398.81**	**1,311.21**	**4,328.54**	**5,639.75**

Note: The movement in allowance for doubtful deposits is on account of additional allowances for credit impaired security deposits made during the year.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

6. OTHER ASSETS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
(i) Advances other than Capital Advances						
Considered good - Unsecured	3,123.63	-	3,123.63	796.76	-	796.76
Credit impaired	69.13	-	69.13	69.13	-	69.13
	3,192.76	**-**	**3,192.76**	**865.89**	**-**	**865.89**
Less: Allowance for expected credit losses	(69.13)	-	(69.13)	(69.13)	-	(69.13)
	3,123.63	**-**	**3,123.63**	**796.76**	**-**	**796.76**
(ii) Capital advances	-	9.42	9.42	-	6.77	6.77
(iii) Balances with statutory/ government authorities	1,861.47	1.51	1,862.98	1,156.48	2.28	1,158.76
(iv) Prepayments	204.60	12.63	217.23	172.29	3.59	175.88
(v) Prepaid Rent	60.26	282.29	342.55	44.88	230.74	275.62
(vi) Share issue expenses recoverable from selling shareholders (Refer Note below)	1,900.71	-	1,900.71	-	-	-
(vii) Others (Receivables from Showroom Managers, Retail Agent etc.)						
Considered good - Unsecured	161.13	-	161.13	60.66	-	60.66
Credit impaired	16.17	-	16.17	16.17		16.17
	177.30	**-**	**177.30**	**76.83**	**-**	**76.83**
Less: Allowance for expected credit losses	(16.17)	-	(16.17)	(16.17)		(16.17)
	161.13	**-**	**161.13**	**60.66**	**-**	**60.66**
(viii) Amounts paid under protest [Sales tax ₹ 51.62 Lakhs (March 31, 2021- Sales tax ₹ 50.85 Lakhs)] (Refer note 26)	-	51.62	51.62	-	50.85	50.85
Total	**7,311.80**	**357.47**	**7,669.27**	**2,231.07**	**294.23**	**2,525.30**

Note : Share issue expense amounting to ₹ 1,900.71 Lakhs incurred by the company towards Initial Public Offer ('IPO') is recoverable from Selling Shareholders.

7. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Stock-in-trade	42,419.25	28,975.47
Total	**42,419.25**	**28,975.47**
Included above, goods-in-transit:	866.99	527.04

Note :

i) The cost of inventories recognised as an expense includes ₹ 74.70 Lakhs (March 31, 2021: (₹12.99) Lakhs) in respect of write-down of inventory to net realisable value.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

8. TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade receivable considered good - Unsecured *	5,771.83	5,055.12
(b) Trade receivable - credit impaired	39.01	5.28
	5,810.84	**5,060.40**
Less: Allowance for expected credit losses	(39.01)	(5.28)
Total	**5,771.83**	**5,055.12**

** Refer Note 36.4 (A) (ii)*

Trade Receivables Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,860.87	588.98	211.09	104.71	0.90	5,766.55
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.83	4.45	5.28
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**4,860.87**	**588.98**	**211.09**	**105.54**	**5.35**	**5,771.83**

Note:There are no unbilled dues for the year.

As at March 31, 2021

₹ in Lakhs

Particulars	Outstanding for following periods from					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,621.02	490.80	897.71	38.19	2.12	5,049.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.83	4.45	-	5.28
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3,621.02**	**490.80**	**898.54**	**42.64**	**2.12**	**5,055.12**

Note:There are no unbilled dues for the year.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

9a. CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	Balances with Banks (refer note below)		
	- In current accounts	5,907.07	2,450.60
(b)	Cash on hand	51.20	47.15
(c)	Cash at showrooms	195.85	133.92
Total		**6,154.12**	**2,631.67**

Note : Balance with Banks includes earmarked amount of ₹ 433.53 Lakhs (March 31, 2021: ₹ Nil) on account of unpaid interim dividend. The same had been paid subsequently.

9b. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	In earmarked accounts		
	Deposits with banks held as margin money or security against guarantees and other commitments (Refer Note below)	50.26	42.66
(b)	Deposits with Banks	37,291.22	6,118.08
Total		**37,341.48**	**6,160.74**

Footnote:
Deposits with banks includes ₹ 14.61 Lakhs (March 31, 2021 ₹ 9.34 Lakhs) which have an original maturity of more than 12 months.

10. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Share Capital (₹ in lakhs)	Number of Shares	Share Capital (₹ in lakhs)
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	15,000.00	300,000,000	15,000.00
Total		**15,000.00**		**15,000.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	271,507,426	13,575.37	265,534,290	13,276.71
Total		**13,575.37**		**13,276.71**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

10.1 RECONCILIATION OF THE NUMBER OF SHARES AND AMOUNT OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Share Capital (₹ in lakhs)	Number of Shares	Share Capital (₹ in lakhs)
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ 5/- each (March 31, 2020 ₹ 10/- each)	265,534,290	13,276.71	132,767,145	13,276.71
Equity shares arising on shares split from ₹ 10/-to ₹ ₹ 5/- per share	-	-	132,767,145	-
Shares Issued through Private Placement	73,136	3.66	-	-
Shares Issued through IPO	5,900,000	295.00	-	-
Balance as at the end of the year	**271,507,426**	**13,575.37**	**265,534,290**	**13,276.71**

10.2 DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES:

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.80%	167,150,520	62.95%
Rakesh Jhunjhunwala**	-	-	39,153,600	14.75%
Rekha Jhunjhunwala***	39,333,600	14.49%	-	-
Rafique A. Malik****	18,576,000	6.84%	18,576,000	7.00%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920		79,027,920	
(b) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600		80,184,600	
**Includes shares held by Rakesh Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	-		13,051,206	
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	-		13,051,206	
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	-		13,051,188	
***Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206		-	
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206		-	
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188		-	
****Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000		3,969,000	
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000		3,969,000	
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000		3,969,000	
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000		3,969,000	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Shareholding of Promoters

Name of Promoters	As at March 31, 2022		As at March 31, 2021		Change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.80%	167,150,520	62.95%	5.15%
Alisha Rafique Malik	9,088,000	3.35%	11,907,000	4.48%	1.13%
Rafique Abdul Malik**	2,700,000	0.99%	2,700,000	1.02%	0.03%
Total	**168,727,520**	**62.14%**	**181,757,520**	**68.45%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600		80,184,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920		79,027,920		

*** The number of shares held & percentage of holding represents the shares held in the individual capacity.It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not part of Promoter.*
Note-Promoter here means promoter as defined in the Companies Act, 2013, as amended.

10.3 EMPLOYEES STOCK OPTION SCHEME

85,500 Equity Shares of the face value ₹ 5 each (March 31, 2021 - 85,500 Equity Shares of the face value ₹ 5 each) are reserved under Employee Stock Option Plan of the Company. On September 29, 2021, the Company granted 1,878,302 options under the said scheme to eligible personnel. (Refer note 32).

10.4 RIGHTS, PREFERENCE AND RESTRICTION ATTACHED TO EQUITY SHARES:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the consolidated financial statements
for the year ended March 31, 2022

11. OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus														Other Comprehensive Income			Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings (metro)	Retained earnings (metmill)	Consol Adj	Share of JV Partner	Adj (Minority)	Retained earnings	OCI (metro)	OCI (MVSC)	OCI (metmill)	Total OCI	Investment designated at FVOCI	Attributable to the owners of the Company	Non Controlling Interest	
Balance as at April 1, 2021	**77.53**	**29.00**	**2.85**	**-**	**66,945.99**	**4,031.42**	**(17.27)**	**209.53**	**(1,973.94)**	**69,317.84**	**161.49**	**(0.07)**	**14.01**	**175.43**	**63.74**	**69,480.56**	**1,986.18**	**71,466.74**
Profit for the year	-	-	-	-	20,763.57	444.93	86.84	124.32	(260.57)	21,159.08	-	-	-	-	-	21,159.08	260.57	21,419.65
Other comprehensive income (net of income tax)	-	-	-	-	-	-	-		2.27	71.63	51.34	(5.73)	(4.62)	40.99	(28.37)	43.26	(2.27)	40.99
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**20,763.57**	**444.93**	**86.84**	**124.32**	**(258.31)**	**21,230.71**	**51.34**	**(5.73)**	**(4.62)**	**40.99**	**(28.37)**	**21,202.34**	**258.30**	**21,460.64**
Employee stock option plan recognized	-	-	-	329.23	-	-	-	-	-	-	-	-	-	-	-	329.23	-	329.23
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,525.74	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(584.06)	-	(584.06)
Payment of Interim dividend	-	-	-	-	(2,987.26)	-	-	-	-	(2,987.26)	-	-	-	-	-	(2,987.26)	-	(2,987.26)
Payment of Final dividend	-	-	-	-	(4,072.61)	-	-	-	-	(4,072.61)	-	-	-	-	-	(4,072.61)	-	(4,072.61)
Balance as at March 31, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**80,649.69**	**4,476.35**	**69.57**	**333.85**	**(2,232.25)**	**83,488.68**	**212.83**	**(5.80)**	**9.39**	**216.42**	**35.37**	**112,893.94**	**2,244.48**	**115,138.42**

Notes forming part of the consolidated financial statements
for the year ended March 31, 2022

₹ in Lakhs

Particulars	Reserves and Surplus														Other Comprehensive Income			Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings (metro)	Retained earnings (metmill)	Consol Adj	Share of JV Partner	Adj (Minority)	Retained earnings	OCI (metro)	OCI (MVSC)	OCI (metmill)	Total OCI	Investment designated at FVOCI	Attributable to the owners of the Company	Non Controlling Interest	
Balance as at April 1, 2020	**77.53**	**29.00**	**-**	**2.85**	**-**	**-**	**-**	**-**	**-**	**67,362.35**	**-**	**-**	**-**	**(9.18)**	**(9.18)**	**67,452.15**	**2,346.66**	**69,798.81**
Profit for the year	-	-	-	-	-	-	-	-	-	6,820.07	-	-	-	-	-	6,820.07	(357.99)	6,462.08
Other comprehensive income (net of income tax)	-	-	-	-	-	-	-	-	-	114.18	-	-	-	184.61	72.92	187.10	(2.49)	184.61
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,934.25**	**-**	**-**	**-**	**184.61**	**72.92**	**7,007.17**	**(360.48)**	**6,646.69**
Payment of Interim Dividend	-	-	-	-	-	-	-			(995.75)	-	-	-	-	-	(995.75)	-	(995.75)
Payment of Final Dividend	-	-	-	-	-	-	-	-	-	(3,983.01)	-	-	-	-	-	(3,983.01)	-	(3,983.01)
Dividend Distribution Tax on Final Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Transfer from ESOP outstanding reserve to General reserve	-	-	2.85	(2.85)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**77.53**	**29.00**	**2.85**	**-**	**-**	**-**	**-**	**-**	**-**	**69,317.84**	**-**	**-**	**-**	**175.43**	**63.74**	**69,480.56**	**1,986.18**	**71,466.74**

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securites Premuium is created when shares are issued at premium. The Company can use this reserve in accordance with the provisions of the Act.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Reserves represents change in the value of investments accounted through FVOCI.

II. Dividend on Equity Shares

₹ in Lakhs

Particulars	March 31, 2022	March 31, 2021
Final Dividend for the year ended March 31, 2021 of ₹ 1.125/- per fully paid up share	-	2,987.26
Interim Dividend for the year ended March 31, 2022 of ₹ 1.50/-(March 31, 2021 of ₹ 0.75/-) per fully paid up share	4,072.61	995.75
Total	**4,072.61**	**3,983.01**

The Board of Directors of the Parent at its meeting held on May 20, 2022 has recommended payment of final dividend of ₹ 0.75 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Parent Company.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

12. BORROWINGS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Loans and advances (Unsecured loan, repayable on demand at interest rate of 15% p.a.)	-	-	-	140.56	-	140.56
Total	**-**	**-**	**-**	**140.56**	**-**	**140.56**

13. OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposit - Franchisee	175.00	-	175.00	130.00	-	130.00
Security Deposit - Related Party	0.99	-	0.99	0.99	-	0.99
Retention Money Payable (Selling Agent, Supervisors, City and Regional Managers and Others)	753.44	-	753.44	713.54	-	713.54
Payable on acquisition of Property, plant & equipment	1,139.20	-	1,139.20	600.94	-	600.94
Total	**2,068.63**	**-**	**2,068.63**	**1,445.47**	**-**	**1,445.47**

14. PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for Warranty	50.31	-	50.31	45.31	-	45.31
Provision for employee benefits-						
Gratuity (Refer Note 27)	93.15	63.13	156.28	38.35	63.46	101.81
Compensated Absences (Refer Note 27)	257.14	-	257.14	-	-	-
Total	**400.60**	**63.13**	**463.73**	**83.66**	**63.46**	**147.12**

Note-

Provision for warranty represent the undiscounted value of the management's best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Group. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

15. TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 37) :	702.03	-	702.03	220.49	-	220.49
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	22,733.32	-	22,733.32	20,244.37	-	20,244.37
Total	**23,435.35**	**-**	**23,435.35**	**20,464.86**	**-**	**20,464.86**

Trade payables Ageing Schedule

As at March 31, 2022

₹ in Lakhs

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	702.02	-	-	-	702.02
ii) Others	17,316.94	74.44	86.57	249.12	17,727.07
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	5,006.26	-	-	-	5,006.26
Total	**23,025.22**	**74.44**	**86.57**	**249.12**	**23,435.35**

As at March 31, 2021

₹ in Lakhs

Particulars	Outstanding for following periods from				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	220.49	-	-	-	220.49
ii) Others	14,656.36	888.20	16.92	273.44	15,834.92
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	4,409.45	-	-	-	4,409.45
Total	**19,286.30**	**888.20**	**16.92**	**273.44**	**20,464.86**

16. OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
a. Advances received from customers	276.65	174.78
b. Deferred revenue arising from customer loyalty program	661.13	482.13
c. Share Issue expense payable	3,800.00	-
d. Statutory dues payable	1,897.12	1,351.60
Total	**6,634.90**	**2,008.51**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

17. REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Sale of products (Traded Goods) - Footwear, Bags and Accessories	134,225.40	79,901.29
(b)	Other operating revenues		
	- Shoe Repair Income	56.05	32.97
	- Sale of Service (Commission & Expense Recoveries)	11.60	71.41
Total		**134,293.05**	**80,005.67**

18. OTHER INCOME

₹ in Lakhs

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	**Interest Income:**		
	Income earned on financial assets carried at amortised cost:		
	Interest on bank deposits	686.43	136.92
	Interest on other Loans and advances	21.79	25.25
	Interest on Security deposit	283.28	274.87
	Interest on Income Tax Refund	-	0.01
	Interest on Sales tax Refund	-	4.03
	Income earned on financial assets carried at FVOCI:		
	Interest Income from Tax Free Bonds	89.70	89.70
		1,081.20	**530.78**
(b)	**Dividend Income:**		
	Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	-	52.02
(c)	**Other Gains:**		
	Net gain on sale of Investments	366.36	472.63
	Net fair value gain arising on current Investments designated at FVTPL	1,211.36	1,359.48
	Net gain on foreign currency transactions and translation	91.85	24.42
	Rent Concession on account of COVID - 19 (Refer Note 30)	2,816.19	5,188.39
(d)	**Others:**		
	Cash Discounts	46.25	15.09
	Miscellaneous Income	70.43	117.07
	Liabilities no longer required, written back	180.31	88.26
Total		**5,863.95**	**7,848.14**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

19a. PURCHASES OF STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Stock-in-Trade (Footwear, Bags & Accessories)	68,055.95	26,061.85
Packing Materials	1,978.14	1,348.32
Total	**70,034.09**	**27,410.17**

19b. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
Stock-in-trade	42,419.25	28,975.47
Inventories at the beginning of the year:		
Stock-in-trade	28,975.47	37,613.09
Changes in Inventories of Stock-In-Trade	**(13,443.78)**	**8,637.62**

20. DEPRECIATION AND AMORTIZATION EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Depreciation of Property, Plant and Equipment	2,879.82	2,788.64
(b) Depreciation of Right-of-use assets	10,398.15	9,253.72
(c) Amortization of Intangible assets	145.55	142.06
Total	**13,423.52**	**12,184.42**

21. EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Salaries and wages	10,786.81	9,390.64
(b) Contribution to provident and other funds (Refer Note 27)	937.30	841.37
(c) Staff welfare expenses	71.12	28.20
(d) Employee's Stock Options Expenses (Refer Note 32)	329.23	-
Total	**12,124.46**	**10,260.21**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

22. FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expenses	11.69	62.49
Interest on lease liabilities (Refer Note 30)	4,892.79	4,302.97
Interest expense on Income tax	138.42	115.92
Total	**5,042.90**	**4,481.38**

23. OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	1,960.99	1,468.08
Rent (Refer Note 30)	4,098.84	2,405.75
Rates and taxes	327.60	166.18
Insurance	150.45	119.75
Repairs and maintenance - Machinery and Equipment	85.20	71.36
Repairs and maintenance - Others	690.15	500.64
Advertisement & Sales promotion	3,362.72	1,607.95
Commission on sales	6,438.21	4,595.33
Commission on Credit Card Sales	609.64	375.05
Freight Charges	2,020.49	1,252.66
Maintenance & Other Charges - Showrooms	2,066.52	1,662.12
Shoe Repair Expenses	97.12	74.88
Communication	185.93	168.08
Donations	-	1.00
Travelling and conveyance	396.62	134.94
Legal and professional fees	370.13	262.24
Payments to auditors (Refer Note 23.1)	41.19	39.00
Loss on Sale/ discard of Property, plant and equipment (net)	329.84	258.03
Directors' Sitting Fees (Refer Note 28)	22.30	10.60
Expenditure incurred on Corporate Social Responsibility (Refer Note 33)	335.37	432.87
Allowance for expected credit losses, advances and deposits	33.73	76.93
Advances written off	49.32	70.35
Bad Debts	9.42	-
GST & Sales Tax Assessment dues	0.07	3.01
Interest on delayed payments of taxes and others	0.10	-
Miscellaneous Expenses	979.88	672.65
Total	**24,661.83**	**16,429.45**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

23.1 PAYMENTS TO AUDITORS:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
To statutory auditor		
(i) For Audit	38.00	26.00
(ii) For Taxation Matters	2.50	2.50
(iii) For Consolidation	0.50	0.50
(iv) For Other Services	0.19	10.00
	41.19	**39.00**
(v) For IPO related services (refer note below)	188.40	-
Total	**229.59**	**39.00**

Note :In addition to the above expenses in Statement of Profit and Loss, payment to auditors of ₹ 188.40 Lakhs (March 31, 2021: ₹ Nil) is towards IPO related services accounted in balance sheet to be offset with securities premium arising from IPO.

24. CURRENT TAX AND DEFERRED TAX

(a) Income tax recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax:		
In respect of current year	7,525.55	2,428.36
In respect of prior year	54.90	(73.71)
	7,580.45	**2,354.65**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(561.80)	(425.95)
Total	**7,018.66**	**1,928.70**

(b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	(26.81)	(39.09)
Deferred tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	1.56	1.70
Total	**(25.25)**	**(37.39)**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**28,313.98**	**8,450.56**
Income tax expense at 25.17% (March 31, 2021: 25.17%)	7,126.63	2,127.01
Effect of income that is exempt from taxation	(33.22)	(535.23)
Effect of expenses that are non-deductible in determining taxable profit	125.79	341.77
Effect of deduction	(255.43)	68.86
Tax of prior years	54.89	(73.71)
Income tax expense recognised in Statement of Profit and Loss	**7,018.66**	**1,928.70**

25a. Deferred tax

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax assets	2,669.24	2,123.89
Deferred tax liabilities	(439.33)	(457.33)
Total	**2,229.91**	**1,666.56**

25a. (I) Holding Company

₹ in Lakhs

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets/(liabilities)						
Property, plant and equipment	104.35	90.94	195.29	21.00	83.35	104.35
Allowance for expected credit losses on trade receivables, advances and deposits	26.73	-	26.73	7.41	19.32	26.73
Fair valuation on investments	(457.32)	18.00	(439.33)	(620.95)	163.62	(457.33)
Compensated absences	-	64.72	64.72	-	-	-
Unrealised profits on unsold inventories	39.43	(29.20)	10.22	135.47	(96.04)	39.43
Others	-	-	-	15.18	(15.18)	-
Deferred Tax on IND AS 116-Leases	1,920.12	416.22	2,336.34	1,673.94	246.18	1,920.12
Net deferred tax asset	**1,633.31**	**560.68**	**2,193.97**	**1,232.05**	**401.25**	**1,633.30**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

25a. (II) Subsidiary

₹ in Lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comrehensive Income	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comrehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/(liabilities)								
Property, plant and equipment	12.89	3.25	-	16.14	4.11	8.78	-	12.89
Deferred Tax on IND AS 116-Leases	-	-	-	-	2.75	(2.75)	-	-
Ind AS 19 and others including OCI	20.37	(2.13)	1.56	19.80	-	18.67	1.70	20.37
Net deferred tax asset	**33.26**	**1.12**	**1.56**	**35.94**	**6.86**	**24.70**	**1.70**	**33.26**

25b. Non-current tax assets (Net)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income tax (net of provision for taxation)	294.51	311.47
Total	**294.51**	**311.47**

25c. Current tax liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for taxation (net of advance tax)	878.34	434.01
Total	**878.34**	**434.01**

26 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Lakhs

Nature of Dues	As at March 31, 2022	As at March 31, 2021	Period	Forum where dispute is pending
(i) Contingent Liabilities				
a) Disputed indirect and direct tax matters				
Central Excise demands	8.87	8.87	Apr'2006 - Mar'2014	CESTAT, Mumbai
Service Tax demands	10.59	10.59	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax demands	-	20.05	F.Y. 2012-2013	Deputy Commissioner Appeal, Ernakulam
	-	1.61	F.Y. 2011-2012	Deputy Commissioner Appeal, Ernakulam
	-	645.84	F.Y. 2013-2014	Joint Commissioner -1 Appeal, Ahmedabad

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Nature of Dues		As at March 31, 2022	As at March 31, 2021	Period	Forum where dispute is pending
		76.43	76.43	F.Y. 2013-2014	Joint Commissioner of Commercial Tax(Appeals) - Bihar
		-	2.71	F.Y. 2015-2016	Joint Excise and Taxation Commissioner (Appeals) - Faridabad
		0.43	0.43	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		0.51	0.51	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		3.82	3.82	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		0.42	0.42	F.Y. 2012-2013	Office of Deputy commissioner of commercial Taxes, Audit, Karnataka
		1.87	0.93	F.Y. 2019-2020	Commercial Tax Officer, Sales Tax Checkpost, Gundlupet
		0.57	0.29	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
		0.54	0.54	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam
	Goods and Services Tax (GST) demands	7.89	7.89	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
		141.23	-	F.Y. 2017-2018	Refer note below
	Income Tax demands	3.01	3.01	A.Y. 2011-12	Commissioner of Income Tax, Appeal
		-	0.46	A.Y. 2012-13	CPC - Income Tax
		-	453.20	A.Y.2018-19	Income Tax E- assesment Centre, Delhi
(b)	Other money for which the Group is contingently liable	20.50	20.50		
ii)	**Commitments**				
a)	Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	250.27	114.18		

Note- The subsidiary has received GST Assessment order for FY 2017-18 on 31.03.2022. It has decided to file an Appeal against it.

Future ultimate outflow of resources embodying economic benefits in respect of matters stated under Note 26(i)(a) and (b) depends on the final outcome of judgements / decisions on the matters involved.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

27 EMPLOYEE BENEFITS

I) Defined - Contribution Plans

The Group offers its employees defined contribution plan in the form of Provident Fund and Employee's State Insurance Corporation (ESIC). Both the employees and the Group pay pre determined contributions into the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Group recognised Provident Fund ₹ 589.75 Lakhs & (Previous year ₹ 530.63 Lakhs) & E.S.I.C ₹ 163.74 Lakhs & (Previous year ₹ 139.79 Lakhs) in the Statement of Profit and Loss.

II) Defined Benefit Plans- Gratuity

A For the Company

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company or as per the Payment of the Gratuity Act,1972 whichever is higher. Vesting occurs upon completion of five years of service. There is no cap on the amount of gratuity paid to an eligible employee at retirement, or death while in employment or on termination of the employment.

a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Gratuity	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	187.00	173.01
2. Net Interest Cost on the net defined benefit liability	1.26	10.03
Total	**188.26**	**183.04**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	(14.81)	(109.58)
2. Actuarial losses on account of :		
- change in demographic assumptions	(120.83)	5.47
- change in financial assumptions	185.89	21.38
- experience variance	(156.77)	(72.56)
Total	**(106.52)**	**(155.29)**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Gratuity		For the year ended March 31, 2022	For the year ended March 31, 2021
III.	**Net Asset/ (Liability) recognized in the Balance Sheet**		
1.	Present Value of Defined Benefit Obligation	1,832.12	1,736.21
2.	Fair value of plan assets	1,754.49	1,715.32
3.	Net (liability) as at end of the year	**(77.63)**	**(20.89)**
IV.	**Change in the obligation during the year**		
1.	Present Value of Defined Benefit Obligation at the beginning of the year	1,736.21	1,617.19
2.	Expenses recognised in the Statement of Profit and Loss		
	- Current Service Cost	187.00	173.01
	- Interest Cost	104.84	84.03
3.	Remeasurement gains/(losses)		
	- change in demographic assumptions	(120.83)	5.47
	- change in financial assumptions	185.89	21.38
	- experience variance (i.e. Actual experience vs assumptions)	(156.77)	(72.56)
4.	Benefits Paid	(104.22)	(92.31)
5.	Present Value of Defined Benefit Obligation at the end of the year	**1,832.12**	**1,736.21**
V.	**Change in Fair Value of Assets during the year**		
1.	Plan assets at the beginning of the year	1,715.32	1,424.05
2.	Investment Income	103.58	74.00
3.	Return on plan assets (excluding amounts recognised in net interest expense)	14.81	109.58
4.	Contribution by employer	25.00	200.00
5.	Benefits paid	(104.22)	(92.31)
6.	Fair value of Plan assets at the end of the year	**1,754.49**	**1,715.32**
VI.	**Fair value of plan assets at the end of the reporting period for each category are as follows:**		
-	Government of India Securities (Central & State)	654.67	622.23
-	High quality corporate bonds (Including public sector bonds)	665.81	488.01
-	Equity shares, Equity mutual funds and ETF	301.59	166.99
-	Cash (Including liquid mutual funds)	-	42.03
-	Others	132.42	396.06
Total		**1,754.49**	**1715.32**
VII.	**Actuarial assumptions**		
1.	Discount Rate [HO]	6.40%	6.40%
	Discount Rate [Sales Staff]	5.55%	4.80%
2.	Expected rate of return on plan assets	8.00%	8.00%
3.	Salary Escalation Rate [HO]	10.00%	8.50%
	Salary Escalation Rate [Sales Staff]	10.00%	8.50%
4.	Attrition Rate [HO]	15.00%	8.89%
	Attrition Rate [Sales Staff]	30.00%	31.49%
5.	In-service Mortality	IALM 2012-14	IALM 2012-14

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate , expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Discount Rate (-/ + 1%)		
- Decrease by 1%	105.61	133.86
- Increase by 1%	(95.47)	(118.17)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(93.19)	(116.85)
- Increase by 1%	100.89	129.63
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	259.09	157.72
- Increase by 50%	(122.28)	(87.82)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.50	0.51
- Increase by 10%	(0.50)	(0.51)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d) **Expected contribution for the next year:**

The Company expects to contribute ₹ 262.79 Lakhs in respect of the gratuity plans during the next financial year ending March 31, 2023.

e) **Expected future benefits payable:**

Maturity Profile of Defined Benefit Obligation	As at March 31, 2022	As at March 31, 2021
1 year	206.48	206.48
2 to 5 years	751.89	751.89
6 to 10 years	660.82	660.82
More than 10 years	1,370.60	1,370.60

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

III) Defined Benefit Plans - Compensated absences

From April 1, 2021 onwards, the Company had amended the policy for Compensated absences which allowed the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2022.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Compensated Absences		For the year ended March 31, 2022	For the year ended March 31, 2021
I.	**Net Asset/ (Liability) recognized in the Balance Sheet**		
1.	Present Value of Defined Benefit Obligation	257.14	-
2.	Fair value of plan assets	-	-
3.	Net (liability) as at end of the year	(257.14)	-
II.	**Change in the obligation during the year**		
1.	Present Value of Defined Benefit Obligation at the beginning of the year	-	-
2.	Expenses recognised in the Statement of Profit and Loss		
	- Current Service Cost	257.14	-
	- Interest Cost		
3.	Remeasurement gains/(losses)	-	-
4.	Benefits Paid	-	-
5.	Present Value of Defined Benefit Obligation at the end of the year	257.14	-

b) Actuarial Assumptions

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
1.	Discount Rate [HO]	6.40%	-
	Discount Rate [Sales Staff]	5.55%	-
2.	Salary escalation rate	10.00%	-
3.	Retirement age	60 years	-
4.	Mortality rate	100% of IALM 2012-14	-
5.	Attrition Rate [HO]	15.00%	-
	Attrition Rate [Sales Staff]	30.00%	-
6.	Rate of Leave Availment	0.00%	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate , expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate (-/ + 1%)		
- Decrease by 1%	10.57	-
- Increase by 1%	(9.67)	-
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(9.42)	-
- Increase by 1%	10.09	-
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	29.63	-
- Increase by 50%	(10.72)	-
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.04	-
- Increase by 10%	(0.04)	-

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

B For the Subsidiary-Unfunded

i Assets and Liability (Balance Sheet Position)

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Obligation	78.65	80.92
Fair Value of Plan Assets	-	-
(Deficit)	(78.65)	(80.92)
Effects of Asset Ceiling, if any	-	-
Net (Liability)	**(78.65)**	**(80.92)**

ii Expenses recognised during the year

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
In Income Statement	14.39	14.96
In Other Comprehensive Income	6.18	6.77
Total Expenses Recognized during the year	**20.57**	**21.73**

Notes forming part of the consolidated financial statements
for the year ended March 31, 2022

iii Changes in the Present Value of Obligation

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of Obligation as at the beginning of the year	80.92	65.51
Current Service Cost	9.81	11.65
Interest Expense or Cost	4.58	3.31
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in financial assumptions	(2.80)	(10.57)
variance (i.e. Actual experiences assumptions)	8.98	17.34
Past Service Cost	(22.84)	(6.32)
Present Value of Obligation as at the end of the year	**78.65**	**80.92**

iv Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current Liability (Short term)	15.52	17.46
Non-Current Liability (Long term)	63.13	63.46
Present Value of Obligation	**78.65**	**80.92**

v Expenses Recognised in the Income Statement

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Service Cost	9.81	11.65
Interest Expense or Cost	4.58	3.31
Present Value of Obligation as at the end of the year	**14.39**	**14.96**

vi Other Comprehensive Income

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gains) / losses		
change in demograpic assumptions	-	-
change in financial assumptions	(2.80)	(10.57)
experience variance (i.e. Actual experience v/s assumptions)	8.98	17.34
Components of defined benefit costs recognised in other comprehensive income	**6.18**	**6.77**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

vii The principal financial assumptions used in the valuation are shown in the table below

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate (per annum)	For H.O. - 7.00% p.a. and For Sales Staff - 5.75% p.a.	For H.O. - 6.40% p.a. and For Sales Staff - 4.35% p.a.
Salary growth rate (per annum)	For H.O. - 8.5% and For Sales Staff - 5.%.	For H.O. 0% p.a for first year and thereafter 8.5% p.a. and For Sales Staff 0% p.a. for first year and thereafter 5% p.a

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

viii The principal demographic assumptions used in the valuation are shown in the table below

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	60 Years	60 Years
Attrition / Withdrawal rates, based on Category: (per annum)		
H.O. years	8.82%	8.82%
Sales Staff years	43.04%	43.04%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

ix Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the year, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined Benefit Obligation (Base)	78.65	80.92

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount Rate (- / + 1%)		
- Decrease by 1%	5.27	5.50
- Increase by 1 %	(4.64)	(4.86)
Salary Growth Rate (- / + 1%)		
- Decrease by 1%	(3.54)	(3.96)
- Increase by 1%	3.78	4.21
Attrition Rate (- / + 50% of attrition rates)		
- Decrease by 50%	1.18	5.02
- Increase by 50%	(1.18)	(3.32)
Mortality Rate (- / + 10% of mortality rates)		
- Decrease by 10%	0.01	0.01
- Increase by 10%	(0.01)	(0.01)

28 RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS-24 "RELATED PARTY DISCLOSURES" ARE GIVEN BELOW

List of Related Parties :

I. Names of Related Party and description of relationship:

a.	Joint Venture	:	M/s. M.V. Shoe Care Private Limited
b.	Other Related Parties with whom transactions have taken place during the year:		
i.	Key Management Personnel (KMP):	1	Mr. Rafique Malik – Chairman (having significant influence)
		2	Mrs. Farah Malik Bhanji – Managing Director (having significant influence)
		3	Mrs. Aziza Malik – Whole Time Director (having significant influence) (Till November 25, 2020)
		4	Mr. Mohammed Iqbal Hasanally Dossani (Whole Time Director) (From November 26, 2020)
		5	Mr. Nissan Joseph - Chief Executive Officer (from July 1, 2021) (having significant influence)
		6	Mr. Kaushal Parekh - Chief Financial Officer (From November 26, 2020)
		7	Ms. Deepa Sood - Company Secretary (From March 7, 2022)
		8	Ms. Tarannum Bhanpurwala - Company Secretary (From November 26, 2020 to March 6, 2022)
		9	Mr. J.J. Desai - Company Secretary & Chief Financial Officer (Till November 25, 2020)
		10	Mr. Subhash Malik (Till November 25, 2020)
		11	Mr. Rakesh Jhunjhunwala (Till March 24, 2021)
		12	Mr. Utpal Hemendra Sheth
		13	Ms. Aruna Advani

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

List of Related Parties :			
		14	Mr. Manoj Kumar Maheshwari
		15	Mr. Arvind Kumar Singhal
		16	Mr. Karan Singh (Till March 24, 2021)
		17	Mr. Vikas Khemani
		18	Mr. Srikanth Velamakanni (From March 25, 2021)
ii.	Relatives of Key Management Personnel :	1	Mrs. Sabina Malik Hadi
		2	Ms. Zarah Rafique Malik
		3	Mrs. Zia Malik Lalji
		4	Ms. Alisha R. Malik
		5	Mrs. Rukshana Kurbanali Javeri
		6	Mrs. Mumtaz Jaffer
		7	Mr. Suleiman Sadruddin Bhanji
		8	Mrs. Aziza Malik (From November 26, 2020)
iii.	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence :	1	Design Matrix Interiors LLP
		2	Design Matrix Associated Private Limited
		3	Allium Property LLP
		4	Metro Shoes
		5	Aziza Malik Family Trust
		6	Rafique Malik Family Trust
		7	Zia Malik Family Trust
		8	Zarah Malik Family Trust
		9	Sabina Malik Family Trust
		10	Farah Malik Family Trust

II. Related Party Transactions during the year

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Compensation in respect of concession agreements for showrooms - Rent					
Mr.Rafique Malik	2021-22	-	-	92.24	-
	2020-21	-	-	53.52	-
Mrs. Aziza Malik	2021-22	-	-	-	218.33
	2020-21	-	-	52.94	62.63
Commission in respect of retail agency agreements for showroom					
Metro Shoes	2021-22	163.58	-	-	-
	2020-21	77.55	-	-	-
Compensation received in respect of rent for office					
Metro Shoes	2021-22	3.96	-	-	-
	2020-21	3.96	-	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Remuneration #					
Mr. Rafique Malik	2021-22	-	-	760.07	-
	2020-21	-	-	673.40	-
Mrs.Farah Malik Bhanji	2021-22	-	-	317.28	-
	2020-21	-	-	280.64	-
Mrs. Aziza Malik	2021-22	-	-	-	226.28
	2020-21	-	-	93.94	105.99
Mr. J.J. Desai	2021-22	-	-	-	-
	2020-21	-	-	71.52	-
Mr.Subhash Malik	2021-22	-	-	-	-
	2020-21	-	-	15.07	-
Mr.Kaushal Parekh	2021-22	-	-	145.84	-
	2020-21	-	-	57.57	-
Mr. Nissan Joseph	2021-22	-	-	191.00	-
	2020-21	-	-	-	-
Mr.Mohammed Iqbal Hasanally Dossani	2021-22	-	-	31.24	-
	2020-21	-	-	11.68	-
Ms.Deepa Sood	2021-22	-	-	4.89	-
	2020-21	-	-	-	-
Ms.Tarannum Bhanpurwala	2021-22	-	-	9.35	-
	2020-21	-	-	2.39	-
Ms. Alisha R. Malik	2021-22	-	-	-	89.82
	2020-21	-	-	-	46.99
Directors' Sitting Fees					
Ms. Aruna Advani	2021-22	-	-	5.10	-
	2020-21	-	-	2.60	-
Mr. Manoj Kumar Maheshwari	2021-22	-	-	4.80	-
	2020-21	-	-	2.60	-
Mr. Arvind Kumar Singhal	2021-22	-	-	3.80	-
	2020-21	-	-	1.80	-
Mr. Karan Singh	2021-22	-	-	-	-
	2020-21	-	-	0.90	-
Mr. Srikanth Velamakanni	2021-22	-	-	3.00	-
	2020-21	-	-	0.30	-
Mr. Vikas Khemani	2021-22	-	-	2.60	-
	2020-21	-	-	0.30	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Retainership Fees					
Mrs. Mumtaz Jaffer	2021-22	-	-	-	36.00
	2020-21	-	-	-	24.80
Interim Dividend					
Mr. Rafique Malik	2021-22	-	-	40.50	-
	2020-21	-	-	10.13	-
Mrs. Farah Malik Bhanji	2021-22	-	-	76.86	-
	2020-21	-	-	29.77	-
Mrs. Aziza Malik	2021-22	-	-	-	20.25
	2020-21	-	-	5.06	-
Mr. J. J. Desai	2021-22	-	-	-	-
	2020-21	-	-	0.85	-
Mr. Subhash Malik	2021-22	-	-	-	-
	2020-21	-	-	0.24	-
Ms. Alisha R. Malik	2021-22	-	-	-	136.32
	2020-21	-	-	-	44.65
Mrs. Sabina Malik Hadi	2021-22	-	-	-	76.94
	2020-21	-	-	-	29.77
Ms. Zarah Rafique Malik	2021-22	-	-	-	76.94
	2020-21	-	-	-	29.76
Mrs. Zia Malik Lalji	2021-22	-	-	-	76.94
	2020-21	-	-	-	29.77
Mrs. Rukshana Kurbanali Javeri	2021-22	-	-	-	3.65
	2020-21	-	-	-	0.91
Interim Dividend					
Mrs. Mumtaz Jaffer	2021-22	-	-	-	0.38
	2020-21	-	-	-	0.09
Mr. Kaushal Parekh	2021-22	-	-	1.22	-
	2020-21	-	-	0.30	-
Aziza Malik Family Trust	2021-22	1,146.71	-	-	-
	2020-21	300.69	-	-	-
Rafique Malik Family Trust	2021-22	1,130.52	-	-	-
	2020-21	296.35	-	-	-
Zia Malik Family Trust	2021-22	59.54	-	-	-
	2020-21	14.88	-	-	-
Zarah Malik Family Trust	2021-22	59.54	-	-	-
	2020-21	14.88	-	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Sabina Malik Family Trust	2021-22	59.54	-	-	-
	2020-21	14.88	-	-	-
Farah Malik Family Trust	2021-22	59.54	-	-	-
	2020-21	14.88	-	-	-
Mr. Suleiman Sadruddin Bhanji	2021-22	-	-	-	0.45
	2020-21	-	-	-	0.09
Final Dividend					
Mr.Rafique Malik	2021-22	-	-	30.38	-
	2020-21	-	-	37.46	-
Mrs. Farah Malik Bhanji	2021-22	-	-	89.30	-
	2020-21	-	-	110.14	-
Mrs. Aziza Malik	2021-22	-	-	-	15.19
	2020-21	-	-	-	18.73
Mr. J.J. Desai	2021-22	-	-	-	-
	2020-21	-	-	3.15	-
Mr. Subhash Malik	2021-22	-	-	-	-
	2020-21	-	-	0.09	-
Mr. Kaushal Parekh	2021-22	-	-	0.91	-
	2020-21	-	-	1.12	-
Alisha R. Malik	2021-22	-	-	-	133.95
	2020-21	-	-	-	165.21
Mrs. Sabina Malik Hadi	2021-22	-	-	-	89.30
	2020-21	-	-	-	90.59
Mrs. Zarah Rafique Malik	2021-22	-	-	-	89.30
	2020-21	-	-	-	90.59
Mrs. Zia Malik Lalji	2021-22	-	-	-	89.30
	2020-21	-	-	-	90.59
Mrs. Rukshana Kurbanali Javeri	2021-22	-	-	-	2.73
	2020-21	-	-	-	2.89
Mrs. Mumtaz Jaffer	2021-22	-	-	-	0.27
	2020-21	-	-	-	0.34
Aziza Malik Family Trust	2021-22	902.08	-	-	-
	2020-21	1,112.56	-	-	-
Rafique Malik Family Trust	2021-22	889.06	-	-	-
	2020-21	1,096.51	-	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Zia Malik Family Trust	2021-22	44.65	-	-	-
	2020-21	55.07	-	-	-
Zarah Malik Family Trust	2021-22	44.65	-	-	-
	2020-21	55.07	-	-	-
Sabina Malik Family Trust	2021-22	44.65	-	-	-
	2020-21	55.07	-	-	-
Farah Malik Family Trust	2021-22	44.65	-	-	-
	2020-21	55.07	-	-	-
Mr. Suleiman Sadruddin Bhanji	2021-22	-	-	-	0.27
	2020-21	-	-	-	0.34
Professional Fees (capital cost)					
Design Matrix Interiors LLP	2021-22	280.38	-	-	-
	2020-21	124.28	-	-	-
Professional Fees					
Design Matrix Associated Private Limited	2021-22	-	-	-	-
	2020-21	25.00	-	-	-
Purchases of Stock-in-Trade (net of taxes)					
M.V. Shoe Care Private Limited	2021-22	-	965.01	-	-
	2020-21	-	622.19	-	-

III. Outstanding receivables

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Enterprises in which KMP / Relatives of KMP are able to exercise significant influence (Metro Shoes)		
Security deposit	0.39	0.36

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

IV. Outstanding payables

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(9.64)	(5.60)
Mrs. Aziza Malik	(22.05)	(12.45)
Remuneration #		
Mr. Rafique Malik	-	(63.63)
Mrs. Farah Malik Bhanji	-	(30.91)
Mrs. Aziza Malik	-	(24.74)
Mr. Kaushal Parekh	-	(13.56)
Mr. Nissan Joseph	(0.21)	-
Mr. Mohammed Iqbal Hasanally Dossani	-	(3.89)
Ms. Tarannum Bhanpurwala	-	(0.70)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(3.24)	-
Remuneration		
Ms. Alisha Malik	-	(6.83)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(23.59)	(14.64)
Security Deposit for Rent (Compensation received in respect of rent for office)		
Metro Shoes	(0.99)	(0.99)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(54.30)	(21.60)
Joint Venture		
Purchases of Stock-in-trade	(628.90)	(653.33)

 # excludes provision for gratuity and compensated absence which is determined on the basis of actuarial valuation done on overall basis for the Company.

Notes:

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to the related parties.
2) The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

29 The Group's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products, the disclosure of segment-wise information is not applicable under Ind AS 108- 'Operating Segments'. Further, there is no geographical segment to be reported since all the operations are undertaken in India.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

30 LEASES

Right-of-use Asset

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**49,960.19**	**48,249.45**
Additions during the year	22,416.85	13,117.02
Disposal during the year	(1,020.68)	(2,152.56)
Depreciation expense for the year	(10,398.15)	(9,253.72)
Balance at the end of the year	**60,958.21**	**49,960.19**

Lease Liabilities

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**56,549.59**	**53,756.92**
Additions during the year	22,180.35	12,913.18
Disposal during the year	(1,201.88)	(2,580.50)
Interest expense for the year	4,892.79	4,302.97
Lease payment during the year	(10,382.55)	(6,654.59)
Reduction in lease liability -Practical Expidient application	(2,816.19)	(5,188.39)
Balance at the end of the year	**69,222.11**	**56,549.59**

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021.

Maturity analysis - contractual undiscounted cash flows

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 1 year	14,153.55	11,814.08
1 - 5 Year	47,879.03	38,879.08
More than 5 years	29,492.80	26,673.68
Total undiscounted lease liabilities at the end of th year	**91,525.38**	**77,366.84**
Lease Liabilities included in Financial statement as at the end of the year	**69,222.11**	**56,549.59**
Current	9,403.72	7,684.98
Non-Current	59,818.39	48,864.61

Amounts Recognised in Statement of Profit & Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on lease liabilities	4,892.79	4,302.97
Depreciation of Right-of-use assets	10,398.15	9,253.72
Expenses relating to short term leases/Variable lease payments	4,073.75	2,416.69
Impairment Loss booked during the current year	-	102.93
Derecognition of Lease Liability during the current year	-	(113.87)
Total	**19,364.69**	**15,962.44**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Amounts Recognised in Statement of Cash Flows

₹ in Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total Cash outflow for Leases	10,382.55	6,693.28

a) The Group incurred ₹ 4,073.75 lakhs for the year ended March 31, 2022 (Previous year ₹ 2,416.69 lakhs) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 10,382.55 lakhs for the year ended March 31, 2022 (Previous year ₹ 6,693.28 lakhs), excluding cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 4,892.79 lakhs for the year ended March 31, 2022 (Previous year ₹ 4,302.97 lakhs).

b) The Group's leases mainly comprise of showroom premises and warehouse premises.

31 BASIC AND DILUTED EARNINGS PER SHARE IS CALCULATED AS UNDER:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax as per Statement of Proft and Loss attributable to equity share holders (₹ in Lakhs)	21,419.64	6,462.07
Weighted average number of Equity Shares:		
- Basic	267,531,430	265,534,290
Add: Effect of Potential Equity Shares on employees stock options outstanding	979,781	83,969
- Diluted	**268,511,211**	**265,618,259**
Earnings per Share (in ₹)		
- Basic (₹)	8.01	2.43
- Diluted (₹)	7.98	2.43

Note: During the financial year 2020-21, the equity shares of the Company have been sub-divided from existing face value of ₹ 10/- per equity share to face value of ₹ 5/- per equity share.

32 EMPLOYEE STOCK OPTION PLAN 2008 (ESOP – 2008):

The Group had granted stock options (options) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the Group as approved by the shareholders in the 31st Annual General Meeting held on September 11, 2008.

The said plan was further amended vide shareholders resolution dated August 5, 2021.

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Particulars	ESOP
Eligibility	A permanent employee or a director of the Group (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Group.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period for options granted	The Group originally authorized 15,000 options for issue to eligible employees. In December, 2008, the same were increased to 45,000 options consequent to issue of bonus shares in the ratio 2:1
	On August 24, 2009, the Group granted 25,875 options to fourteen eligible employees. The vesting schedule for the options granted was 40% on September 15, 2009, 20% on September 15, 2010, 20% on September 15, 2011, and 20% on September 15, 2012.
	Further, on September 15, 2011 the Group granted 4,500 options to four eligible employees. The vesting schedule for the options granted in 2011 was 40% on September 15, 2012, 20% on September 15, 2013, 20% on September 15, 2014 and 20% on September 15, 2015.
	In November, 2012, outstanding options increased by 26,270 options consequent to issue of bonus shares in the ratio 2:1
	Further, on February 1, 2014 the Group granted 11,250 options to three eligible employees. The vesting schedule for the options granted in 2014 was 40% on February 1, 2016, 20% on February 1, 2017, 20% on February 1, 2018 and 20% on February 1, 2019.
	Further, on April 1, 2014 the Group granted 3,375 options to one eligible employee. The vesting schedule for the options granted in 2014 was 40% on April 1, 2015, 20% on April 1, 2016, 20% on April 1, 2017 and 20% on April 1, 2018.
	During the financial year 2018-19, some of the option holders exercised their options on various dates and in total were alloted 37,695 shares. Further, during the financial year 2018-19, in total 62,120 bonus options were issued in the ratio of 8:1.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of three years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Thirty days following the date of grantee's voluntary resignation (c) 3 months following the date of grantee's termination of employment due to grantee's retirement, disability or death (d) 6 months following the occurrence of change of control.
Method of Settlement	Equity Shares of face value ₹ 5/- each (P.Y Equity Shares of face value ₹ 5/- each)
Exercise Price	Weighted average exercise price for 85,500 (Previous year 85,500) stock options outstanding as at March 31, 2022 is ₹ 9.50/- (Previous year is ₹ 9.50/-)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

b) The particulars of number of options granted and lapsed and the Price of Stock Options for ESOP 2008 are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Options outstanding at the beginning of the year	85,500	54,900
Lapsed during the year	-	(12,150)
Equity shares arising on shares split from ₹ 10/- to ₹ 5/- per share	-	42,750
Options outstanding at the end of the year	85,500	85,500

c) The following options were outstanding from the options granted under Employees Stock Option plan 2008 (ESOP 2008) as at March 31, 2022 and as at at March 31, 2021.

Options series	Number		Grant date	Expiry date	Exercise price		Fair value of option at grant date	
	As at March 31, 2022	As at March 31, 2021			As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Grant 1	60,750	60,750	24-Aug-09	2 years from the date of listing of Company's share in any recognised stock Exchange	6.02	6.02	4.47	4.47
Grant 2	24,750	24,750	15-Sep-11	2 years from the date of listing of Company's share in any recognised stock Exchange	18.06	18.06	9.70	9.70

d) On September 29, 2021, the Company granted 1,878,302 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.

Summary of stock options

Options outstanding on March 31, 2021	-
Options granted during the year	1,878,302
Options forfeited / lapsed during the year	(307,829)
Options exercised during the year	-
Options outstanding on March 31, 2022	1,570,473

Information in respect of options outstanding as at March 31, 2022

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	1,570,473	4.50

The fair value of the options granted during the year are as follows:

Grant date	No. of years vesting	Fair value per option (₹)
September 29, 2021	5 years	74.91
September 29, 2022	5 years	83.17
September 29, 2023	5 years	91.73
September 29, 2024	5 years	115.36
September 29, 2025	5 years	121.53

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : September 29, 2021 (5 years vesting)	
Risk free interest rate (%)	4.98% - 6.04%
Expected life / Time to Maturity (years)	3.50 - 7.50
Expected Volatility	38.2% - 43.6%
Expected dividend yield (%)	0.66%
Exercise price (₹)	228
Stock price (₹)	228.18

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 329.23 lakhs (Previous year ₹ NIL) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

33 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Holding Company:

₹ in Lakhs

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i)	amount required to be spent by the company during the year	323.76	406.38
(ii)	amount of expenditure incurred (Refer Note below)	460.06	214.06
(iii)	Shortfall at the end of the year	(56.01)	(192.32)
(iv)	total of previous years excess/(shortfall) (Refer Note below)	-	Not Applicable
(v)	reason for shortfall		
	The amount of shortfall pertains to ongoing projects identified as per schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2021 has been paid during the year ended March 31, 2022. Out of total shortfall for the current year ended March 31, 2022, ₹ 20.49 lakhs has been disbursed and ₹ 35.52 lakhs has been transferred to Unspent CSR Account on or before April 30, 2022.		
(vi)	nature of CSR activities		
	(a) Good health and well being		
	(b) Education		
	(c) Food Support		
	(d) Footwear distribution to needy		
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Note: Amount of expenditure incurred for the year ended March 31, 2022 includes ₹ 192.32 Lakhs spent towards shortfall for the year ended March 31, 2021.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Subsidiary:

₹ in Lakhs

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i)	amount required to be spent by the company during the year	11.37	25.98
(ii)	amount of expenditure incurred (Refer Note below)	11.50	26.50
(iii)	excess/(shortfall) at the end of the year	-	-
(iv)	total of previous years excess/(shortfall) (Refer Note below)	-	0.47
(v)	reason for shortfall	Not Applicable	Not Applicable
	The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2021 has been paid during the year ended March 31, 2022. Shortfall for the current year ended March 31, 2022 has been paid till April 30, 2022.		
(vi)	nature of CSR activities		
	(a) Good health and well being	11.50	26.50
	(b) Education	-	-
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

34 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

₹ in Lakhs

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	6	7	8	9
Parent								
METRO BRANDS LIMITED	9.69%	13,575.37	98.13%	20,763.57	118.68%	51.34	98.17%	20,814.91
Subsidiary - Indian								
Metmill Footwear Private Limited	0.09%	125.00	2.10%	444.93	(10.67%)	(4.62)	2.08%	440.31
Non controlling Interests in the subsidiary	90.31%	126,469.31	(1.23%)	(260.57)	5.24%	2.27	(1.22%)	(258.30)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	0.59%	124.32	(13.25%)	(5.73)	0.56%	118.59
CFS Adjustments and eliminations	(0.09%)	(124.99)	0.41%	86.83	0.00%	-	0.41%	86.83
Total	**100.00%**	**140,044.69**	**100.00%**	**21,159.08**	**100.00%**	**43.26**	**100.00%**	**21,202.34**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

35 SUBSIDIARY AND JOINT VENTURE

(a) The subsidiary considered in the preparation of these consolidated financial statements is:

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2022	As at March 31, 2021
Metmill Footwear Private Limited	Wholesale of Footwear	India	51%	51%

(b) Disclosure of Non-Controlling Interests

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,986.18	2,346.66
Share in Total Comprehensive Income	258.30	(360.48)
Balance at the end of the year	**2,244.48**	**1,986.18**

(c) Investment in Joint Venture

Details and financial information of the Joint venture

Details of the Group's joint venture at the end of the year is as follows:

Name of Joint Venture	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2022	As at March 31, 2021
M.V. Shoe Care Private Limited	Manufacturing of shoe care and foot care products	India	49%	49%

36 FINANCIAL INSTRUMENTS

36.1 Capital Management

Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Equity		
Equity Share Capital	13,575.37	13,276.71
Other Equity	112,893.94	69,480.56
Non Controlling Interests	2,244.48	1,986.18
Total Equity	**128,713.79**	**84,743.45**
Total Debt	**-**	**140.56**
Debt Equity Ratio	**-**	**0.2%**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

36.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Lakhs

Particulars	Hierarchy level	As at March 31, 2022	As at March 31, 2021
Financial Assets			
Measured at fair value through profit or loss			
- Investments in mutual funds	Level 2	31,773.10	35,703.89
- Investments in Bonds	Level 1	2,294.80	2,167.12
Measured at amortised cost			
- Trade receivables #	Level 2	5,771.83	5,055.12
- Cash and cash equivalents #	Level 2	6,154.12	2,631.67
- Other Bank balances #	Level 2	37,341.48	6,160.74
- Loans #	Level 2	149.24	187.88
- Other financial assets #	Level 2	7,398.81	5,639.75
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	1,337.53	1,365.91
Financial Liabilities			
Measured at amortised cost			
- Trade payables #	Level 2	23,435.35	20,464.86
- Borrowings #	Level 2	-	140.56
- Other financial liabilities #	Level 2	2,068.63	1,445.47
- Lease Liabilities #	Level 2	69,222.11	56,549.59

 # The Group considers that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

36.3 Fair Value measurements

Fair valuation techniques and inputs used

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 2 inputs include:

— quoted prices for similar assets or liabilities in active markets

— quoted prices for identical or similar assets or liabilities in markets that are not active

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

— inputs other than quoted prices that are observable for the asset or liability, for example

— interest rates and yield curves observable at commonly quoted intervals

— implied volatilities

— credit spreads

— inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market – corroborated inputs')

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Financial assets measured at fair value

Financial assets	Fair value as at (₹ in Lakhs) As at March 31, 2022	Fair value as at (₹ in Lakhs) As at March 31, 2021	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Investments in Mutual funds	31,773.10	35,703.89	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in bonds	3,632.33	3,533.02	Level 1	Active market determined	NA	NA

36.4 Financial Risk Management

The Group's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Group operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A] CREDIT RISK

i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Group primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

ii) Trade and other receivables:

The Group's retail business is predominantly on cash and carry basis. The Group sells goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 6.6% of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. The Group has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Group by credit worthiness checks. As at March 31, 2022, the Group had 4 customers (as at March 31, 2021 : 6 customers) that accounted for approximately 84% (as at March 31, 2021 : 81%) of the trade receivables. The Group also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Group's experience of delinquencies and customer disputes have been minimal.

iii) **Cash and cash equivalents and deposits with banks:**
Credit risk on Cash and Cash Equivalents is limited as the Group generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B] LIQUIDITY RISK

1) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

2) Maturity of financial liabilities

The table below analyse the Group's financial liabilities in to relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities.The amounts disclosed in the table are the contractual undiscounted cash flows. Balance equal their carrying balances as the impact of discounting is not significant.

₹ in Lakhs

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Carrying amounts
As at March 31, 2022					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	23,435.35	-	-	-	23,435.35
Lease Liabilities	14,153.55	26,071.51	21,807.52	29,492.80	91,525.38
Others	2,068.63	-	-	-	2,068.63
Interest bearing:					
Borrowings	-	-	-	-	-
As at March 31, 2021					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	20,464.86	-	-	-	20,464.86
Lease Liabilities	11,814.08	21,399.17	17,479.92	26,673.67	77,366.84
Others	1,445.47	-	-	-	1,445.47
Interest bearing:					
Borrowings	140.56	-	-	-	140.56

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

The Group has access to following financing facilities which were undrawn as at the end of the year.

₹ in Lakhs

Undrawn financing facilities	As at March 31, 2022	As at March 31, 2021
Secured working capital facilities		
Amount Used	-	-
Amount Unused*	3,898.00	3,500.00
Total	**3,898.00**	**3,500.00**
Letter of Credit (Unfunded)		
Amount used	204.64	174.14
Amount unused	795.36	825.86
Total	**1,000.00**	**1,000.00**

**Of the above ₹ 2,898 Lakhs has been secured by a charge on Company's book debts, inventory, receivables, cash flows, and all current assets including cash-in-hand.*

C] MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

1) Product Price risk

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps Group protect itself from significant product margin losses.

2) Interest risk

The Group is exposed to interest rate risk primarily due to borrowings havings floating interest rates. The Group uses available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that the Group has an effective mix of fixed and variable rate borrowings. The Group does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure. Interest rate sensitivity analysis shows that an increase / decrease of fifty basis points in floating interest rates would result in decrease / increase in Group's profit before tax by approximately ₹ NIL (As at March 31, 2021: ₹ 2.34 Lakhs).

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on Secured Working capital limit	-	35.62
Interest Rate	7.60%	7.60%
Interest amount per 50 basis point fluctuation	-	2.34

3) Currency risk

The Group's significant transactions are in Indian rupees and therefore there is minimal foreign currency risk.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

The Group's exposure to foreign currency risk at the end of the year expressed in ₹ in Lakhs and USD($), is as follows

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakhs	USD($) in Lakhs	₹ in Lakhs	USD($) in Lakhs
Trade Payables	118.68	1.57	11.09	0.15

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial instruments denominated in foreign currency.

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
USD sensitivity		
₹/USD -Increase by 1% #	(1.19)	(0.11)
₹/USD -Decrease by 1% #	1.19	0.11

 # Holding all other variables constant

37 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to any supplier at the end of the year	700.82	220.10
Interest due remaining unpaid to any supplier at the end of the year	1.17	0.39
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	310.60	119.59
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.12	0.18
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	0.27

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

38 The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during employment and post employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to issued. In view of this, the impact of change , if any , for the Group will be assessed and recognised post notification of the relevant provisions.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

39 RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current Assets	136,802.20	85,790.08
Current Liabilities	42,821.54	32,262.05
Ratio	**3.19**	**2.66**
% Change from previous year	**20%**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Total debt	-	140.56
Total equity	128,713.79	84,743.45
Ratio	**-**	**-**
% Change from previous year	**(100%)**	

Reason for change more than 25%:

The Group do not have any outstanding borrowing as at year ended March 31, 2022 , hence debt equity ratio is not applicable for March 31, 2022.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at March 31, 2022	As at March 31, 2021
Profit after tax	21,419.64	6,462.07
Add: Non cash operating expenses and finance cost	**18,466.42**	**16,665.81**
-Depreciation and amortizations	13,423.52	12,184.42
-Finance cost	5,042.90	4,481.38
Earnings available for debt services	**39,886.06**	**23,127.88**
Interest cost on borrowings	17.22	43.33
Principal repayments (including certain prepayments during year)	140.56	1,011.76
Total Interest and principal repayments	**157.78**	**1,055.09**
Ratio	**252.79**	**21.92**
% Change from previous year	**1053%**	

Reason for change more than 25%:

The Group do not have any outstanding borrowing as at year ended March 31, 2022 as balance loan of March 31, 2021 is repaid.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit after tax	21,419.64	6,462.07
Total equity	128,713.79	84,743.45
Ratio	**0.17**	**0.08**
% Change from previous year	**113%**	

Reason for change more than 25%:

This ratio has increased from 0.08 in March 2021 to 0.17 in March 2022. This is mainly due to reduction in net profit in previous year on account of reduced sales due to Covid 19 pandemic. In the current year, there was impact on operations in the first half year on account of COVID 19 second wave, however there was recovery in business operations in the second half of the year. This has resulted in increase in net profit for the year in comparison to the previous year.

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2022	As at March 31, 2021
Cost of goods sold	56,590.31	36,047.80
Avergae Inventory	35,697.36	33,294.28
Inventory Turnover Ratio	**1.59**	**1.08**
% Change from previous year	**47%**	

Reason for change more than 25%:

This ratio has increased from 1.08 in March 2021 to 1.59 in March 2022. This is mainly due to increase in sales and corresponding increase in cost of goods sold. Further in March 2022 the average inventory level also increased as compare to March 2021 on account of increase in number of showrooms from 586 to 624 of the holding company and business operations returning to normalcy.

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Credit Sales	12,407.59	7,258.74
Average Trade Receivables	5,221.49	6,251.12
Ratio	2.38	1.16
% Change from previous year	**105%**	

Reason for change more than 25%:

This ratio has increased from 1.16 in March 2021 to 2.38 in March 2022 mainly due to increased sales on account of business operations returning to normalcy as compared to previous year. There has been a corresponding increase in the trade receivables as at the year end due to increase in E-commerce sales during this year.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Credit Purchases	70,034.09	27,410.17
Average Trade Payables	21,950.12	20,305.45
Ratio	**3.19**	**1.35**
% Change from previous year	**136%**	

Reason for change more than 25%:

This ratio has increased from 1.35 in March 2021 to 3.19 in March 2022 mainly due to increased purchases on account of business operations returning to normalcy as compared to previous year. There has been a corresponding increase in the trade payables as at the year end.

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Sales	134,293.05	80,005.67
Net Working Capital	93,980.65	53,528.01
Ratio	**1.43**	**1.49**
% Change from previous year	**(4%)**	

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2022	As at March 31, 2021
Net profit after tax	21,419.64	6,462.07
Revenue from operation	134,293.05	80,005.67
Ratio	**0.16**	**0.08**
% Change from previous year	**100%**	

Reason for change more than 25%:

This ratio has increased from 0.08 in March 2021 to 0.16 in March 2022 mainly due to increase in net profit and sales on account of business operations returning to normalcy.

j) Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit after tax (A)	21,419.64	6,462.07
Finance Costs (B)	5,042.90	4,481.38
Total Tax Expense (C)	7,018.66	1,928.70
EBIT (D) = (A)+(B)+(C)	**33,481.20**	**12,872.15**
Capital Employed (G)=(E)-(F)	**188,595.31**	**133,671.52**
Total Assets (E)	231,416.85	165,933.57
Total current liabilities (F)	42,821.54	32,262.05
Ratio (D)/(G)	**0.18**	**0.10**
% Change from previous year	**80%**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

Reason for change more than 25%:

The return on capital employed has improved from 0.10 in March 2021 to 0.18 in March 2022 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to business operations returning to normalcy during the current year.

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2022	As at March 31, 2021
Income from investment	1,667.42	1,973.83
closing balance of the investment	35,455.69	39,279.59
Ratio	**0.05**	**0.05**
% Change from previous year	**-**	

40 DETAILS OF TRANSACTIONS WITH COMPANIES STRUCK OFF UNDER SECTION 248 OF THE COMPANIES ACT, 2013.

Name of Struck off Company	Nature of transactions	Balance outstanding (₹ in lakhs)		Relationship
		As at March 31, 2022	As at March 31, 2021	
Octel Cloud Solutions Private Limited	Payables	-	0.01	
Unisol India Pvt. Ltd.	Payables	-	0.21	-
Swift Property Services Private Limited	Payables	-	0.15	-

The above companies are struck off as per the MCA data as on March 31, 2022.

41 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

42 There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43 The Group has not traded or invested in crypto currency or virtual currency during the financial year.

44 (A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2022

45 There is no immovable property whose title deed is not held in the name of the Group.

46 Except below, there is no charge or satisfaction of charge which has been registered with Registrar of Companies (ROC) beyond the statutory period.

Description of the charge	Location of Registrar	Period of delay (in days)	Reason for delay
Loan Agreement Cum Guarantee deed in favour of HDFC Bank limited, no. 100500351, for ₹ 398 lakhs	Mumbai	29	Oversight

47 The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

48 The Group have not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

49 The Group has been sanctioned working capital limits, from banks on the basis of security of current assets. The statements comprising of unhedged foreign currency exposure is filed by the Group with such banks are in agreement with the books of accounts of the Group.

50 The Group do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

51 There were no whistle blower complaints received by the Group during the year.

52 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable, in accordance with amendments to Schedule III.

In terms of our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants

Ketan Vora
Partner

Place: Coorg
Date : May 20, 2022

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563
Place: Dubai

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2022

Notice

NOTICE is hereby given that the 45th Annual General Meeting of Metro Brands Limited (the "Company") will be held on **Wednesday, September 7, 2022, at 3:00 P.M.** through **Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**, to transact the following matters and if thought fit, to pass the following resolutions. The venue of the Meeting shall be deemed to be the Registered Office of the Company at 401, Zillion, 4th Floor, LBS & CST Road Junction, Kurla (West), Mumbai – 400070. This notice of Meeting is given pursuant to Section 101 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules made thereunder (the "**Companies Act, 2013**") in accordance with the Articles of Association of the Company.

I. ORDINARY BUSINESS:

1. **To receive, consider and adopt-**

   (a) the audited standalone financial statements of the Company for the Financial Year ended March 31, 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 confirm the payment of Interim Dividend of ₹ 1.5/- per share of ₹ 5/- each already paid and to declare Final Dividend of ₹ 0.75/- per share of ₹ 5/- each on equity shares for the Financial Year ended March 31, 2022.

3. To appoint a Director in place of Ms. Farah Malik Bhanji (DIN: 00530676), who retires by rotation and being eligible, offers her candidature for re-appointment.

4. To appoint a Director in place of Mr. Utpal Hemendra Sheth (DIN: 00081012), who retires by rotation and being eligible, offers his candidature for re-appointment.

5. To appoint Statutory Auditors in place of retiring auditors and to fix their remuneration:

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and in accordance with the recommendation of the Audit Committee and as recommended by the Board of Directors of the Company, M/s. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No. 324982E/E300003) be and are hereby appointed as the Statutory Auditors of the Company, in place of retiring auditors, Deloitte Haskins and Sells, Chartered Accountants (Firm Registration No. 117365W), for a term of five (5) years commencing from the conclusion of the 45th Annual General Meeting untill the conclusion of the 50th Annual General Meeting of the Company to be held in the Financial Year 2027 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be fixed by the Board of Directors of the Company in consultation with them.

II. SPECIAL BUSINESS:

6. To approve the limit on remuneration payable to Non-Executive Directors including Independent Directors

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

   "RESOLVED that pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, consent of the Company be and is hereby accorded for payment of commission to the Non-Executive Directors, including Independent Directors, of the Company(i.e. Directors other than the Managing Director and/or Whole Time Directors) to be determined by the Board of Directors for each of such Non-Executive Director for each Financial Year and distributed between such Directors in such a manner as the Board of Directors may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that Financial Year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER that the above remuneration shall be in addition to fees payable to the Director(s) for attending the Meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other Meetings."

By Order of the Board of Directors
For Metro Brands Limited

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

Place: Mumbai
Date: July 29, 2022

NOTES:

1. In view of the continuing social distancing norms due to Covid-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 and 21/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and December 14, 2021 respectively and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other applicable circulars issued in this regard, the Companies have permitted to send the Notice of Annual General Meeting ("AGM") along with Annual Report only through electronic mode to those Members whose e-mail addresses were registered with the Company/Depositories as well as conducting the AGM through VC / OAVM without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the 45th AGM for the Financial Year 2021-22 of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.

2. Physical copy of the Notice of the 45th AGM along with the Annual Report for the Financial Year 2021-22 shall be sent to those Members who request for the same. Members may note that Notice of the AGM along with the Annual Report for the Financial Year 2021-22 will also be available on the Company's website at www.metrobrands.com, websites of the Stock Exchanges, i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Registrar & Share Transfer Agent ('RTA') at https://instavote.linkintime.co.in

3. A statement providing additional details of the Directors seeking re-appointment as set out at Item Nos. 3 and 4 of the Notice dated July 29, 2022 is annexed herewith as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

4. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip & the Route Map are not annexed to this Notice.

5. In the case of Institutional/Corporate Members entitled to appoint authorised representatives to attend the AGM through VC/OAVM, it is hereby requested to send a scanned copy of the Board Resolution/Authorization authorizing the representative to attend the AGM through VC/OAVM and vote on its behalf at the Meeting. The said Resolution / Authorization shall be sent to the Company Secretary by email through its registered email address to investor.relations@metrobrands.com

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. To support the 'Green Initiative', Members holding Shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant ('DP').

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held by them in electronic form and to RTA having address at Link Intime India Pvt. Ltd, C-101, 1st Floor 247 Park, L.B.S. Marg Vikhroli (West), Mumbai, Maharashtra, 400083, in case the shares are held by them in physical form.

9. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Wednesday, August 31, 2022**, being the **cut-off date**, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.

10. Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014, the Register of Members/list of Beneficial Owners of the Company will remain closed from **Thursday, September 1, 2022, to Wednesday, September 7, 2022** (both days inclusive) in connection with the AGM.

11. Dividend on Equity shares as recommended by the Board of Directors for the Financial Year ended March 31, 2022, if approved at the AGM, will be payable, to those Members of the Company who hold shares:

    (i) In dematerialised mode, based on the beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as at the close of business hours on Wednesday, August 31, 2022;

    (ii) In physical mode, if their names appear in the Company's Register of Members as on Wednesday, August 31, 2022.

    The dividend will be payable on or after Monday, September 12, 2022.

12. Under Companies Act, 2013 ('the Act') dividends that are unclaimed/unpaid for a period of seven (7) years from the date of their transfer to the unclaimed/unpaid dividend account are required to be transferred to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. The due date for transfer of unclaimed and unpaid dividends for the Financial Year ended March 31, 2015 and thereafter is as under:

Financial Year ended	Dividend	Date of declaration of dividend	Due Date for transfer to IEPF
2014-2015	Interim Dividend	04-03-15	03-04-22
2014-2015	Final Dividend	19-09-15	18-10-22
2015-2016	Interim Dividend	19-03-16	18-04-23
2015-2016	Final Dividend	23-09-16	22-10-23
2016-2017	Interim Dividend	27-03-17	26-04-24
2016-2017	Final Dividend	29-09-17	28-10-24
2017-2018	Final Dividend	29-09-18	28-10-25
2018-2019	Interim Dividend	12-03-19	11-04-26
2019-2020	Final Dividend	17-09-20	16-10-27
2020-2021	Interim Dividend	28-01-21	27-02-28
2020-2021	Final Dividend	20-08-21	19-09-28
2021-2022	Interim Dividend	07-03-22	06-04-29

    Members who have not encashed their dividend warrants/ demand drafts so far in respect of the aforesaid periods, are requested to make their claims to RTA well in advance of the above due dates. Pursuant to the provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 30, 2022 on the website of the Company at www.metrobrands.com.

    Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

13. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the DP. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by visiting the link https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html by 5:00 p.m. IST on Wednesday, August 31, 2022. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or if they are Specified Person as defined under Section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable. Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail

the tax treaty benefits by visiting the link https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html. The aforesaid declarations and documents need to be submitted by the shareholders by 5:00 p.m. IST on Wednesday, August 31, 2022.

14. SEBI has made it mandatory for all Companies to use the bank account details furnished by the DP and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ IMPS/ NEFT etc.

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email at investor.relations@metrobrands.com at least seven (7) days before the date of the Meeting.

16. Attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

17. **VOTING THROUGH ELECTRONIC MEANS**

A. GENERAL INFORMATION

i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA circulars and Regulation 44 of Listing Regulations, the Company has engaged the services of RTA to provide remote e-voting services and e-voting facility during the 45th AGM to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.

ii. Only those Members, who are present in the Meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the AGM. However, Members who would have cast their votes by remote e-voting may attend the Meeting but shall neither be allowed to change it subsequently nor cast votes again during the Meeting.

iii. The Board of Directors of the Company has appointed Mrs. Ashwini Inamdar and failing her Mr. Atul Mehta, Partners of Mehta & Mehta, Practicing Company Secretaries (Firm Registration Number P1996MH007500), to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the Meeting in a fair and transparent manner.

iv. The Scrutinizer shall after the conclusion of AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses, not in the employment of the Company. The Scrutinizer Report shall submit the consolidated Scrutinizer's Report, not later than two (2) working days of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company www.metrobrands.com and also be displayed on the Notice board of the Company at its Registered Office and on the website of LIIPL viz., https://instavote.linkintime.co.in immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.

v. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Wednesday, September 7, 2022.

vi. The recorded transcript of the proceedings of the AGM shall be made available on the Company's website at www.metrobrands.com.

Instructions for Remote e-Voting prior to the AGM

The remote e-voting period will commence on Sunday, September 4, 2022 at 9:00 a.m. IST and ends on Tuesday, September 6, 2022 at 5:00 p.m. IST. The remote e-voting module shall be disabled by LIIPL for voting thereafter.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the DP or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL

   - Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login”” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-voting period.
   - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb IdeasDirectReg.jsp
   - Visit the e-voting 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-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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

   - Existing users who have opted for Easi / Easiest, 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 able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
   - 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 i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their DP

   You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the Company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

   A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   Shareholders/ 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).

3. Click on 'Login' under '**SHARE HOLDER**' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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.

Individual Shareholders holding securities in Physical mode and have forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL and have forgotten the password:
Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share password with any other person and take utmost care to keep password confidential.
- For shareholders/ Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ Members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Instructions for Shareholders/ Members to Vote during the AGM through InstaMeet:
Once the electronic voting is activated by the Scrutinizer during the Meeting, shareholders/ Members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting. Shareholders/ Members who have voted through remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the Meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.

Please note that shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ Members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on:- Tel: 022-49186175.

18. **PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM**

Process and manner for attending the AGM through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

   - 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).

19. **INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

1. Shareholders who would like to speak during the Meeting must register their request seven (7) days in advance with the company on the email id investor.relations@metrobrands.com created for the general Meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the Meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the Meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the Meeting/ management will announce the name and serial number for speaking.

20. **INSTRUCTIONS FOR MEMBERS WHOSE E-MAIL ID'S ARE NOT REGISTERED:**

The process for those Members whose e-mail ID's are not registered with the DP for procuring user id and password and registration of e-mail ids for e-voting for the businesses mentioned in the Notice convening the AGM are as follows:

(i) In case shares are held in physical mode, please provide Folio Number, Name of Shareholder, Number of Equity Shares held, Scanned copy of Share Certificate (both side) alongwith self-attested scanned copy of PAN card and self-attested scanned copy of any document (such as AADHAAR card/latest Electricity Bill/latest Telephone Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding by e-mail to investor.relations@metrobrands.com.

(ii) In case shares are held in demat mode, please provide Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement alongwith self-attested scanned copy of PAN and AADHAAR by e-mail to investor.relations@metrobrands.com.

(iii) If Member is an individual shareholder holding securities in demat mode, then it is requested to refer to the login method explained above for e-voting and joining virtual Meeting for Individual shareholders holding securities in demat mode.

(iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

21. The Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available at the AGM, electronically.

EXPLANATORY STATEMENT

As required under Regulation 36 of the Listing Regulations, setting out the material facts concerning ordinary business in respect of Item No. 5 as set out above is annexed hereto.

ITEM NO. 5

Keeping in view the requirements set out in the Listing Regulations, the Board of Directors of the Company at its Meeting held on July 29, 2022 based on the recommendation of Audit Committee have recommended appointment of M/s. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company for the period of 5 (Five) consecutive years commencing from 45th Annual General Meeting until the conclusion of the 50th Annual General Meeting of the Company to be held in the Financial Year 2027.

M/s. S R B C & CO LLP is proposed to be appointed in place of M/s. Deloitte Haskins & Sells Chartered Accountants (Firm Registration No. 117365W) retiring Statutory Auditor, due to completion of the term as defined Section 139(2) of the Act.

Brief profile of M/s. S R B C & CO LLP

M/s. S R B C & CO LLP (FRN: 324982E/E300003), established in the year 2002, is a part of S. R. Batliboi & Affiliates network of audit firms, registered with the Institute of Chartered Accountants of India . The Audit Firm is engaged primarily in providing audit and assurance services, and certain tax assurance services to its clients. As on March 31, 2022, there are 35 partners and 1100+ professional and other staff in the Audit Firm.

M/s. S R B C & Co. LLP have given their consent for their appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Act and the rules made thereunder. M/s. S R B & Co. LLP have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors in their Meeting held on July 29, 2022, have proposed to pay a remuneration of ₹ 40 Lacs for conducting the audit plus applicable taxes and reimbursement of out-of-pocket expenses if any, incurred by the Statutory Auditors, in connection with the audit of the accounts of the Company for the Financial Year 2022-23. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

There is no material change in the remuneration proposed to be paid to the proposed Statutory Auditors from that paid to the outgoing auditor and the same shall commensurate with the services to be rendered by them during the said tenure.

The Board recommends passing of the Ordinary Resolution, as set out at Item No. 5 of this Notice, for approval of the Members.

None of the Directors or Key Managerial Personnels of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

ITEM No. 6

With the enhanced Corporate Governance requirements under the Act and the SEBI Listing Regulations the role, responsibilities and participation of the Non-Executive including Independent Directors in the affairs of the Company have increased over a period of time. The compensation payable to the Non-Executive including Independent Directors should therefore be commensurate with their increased roles and responsibilities.

Thus, it is proposed to remunerate the Directors other than the Managing/Whole-time Directors based on the performance of the Company on yearly basis by way of commission on the net profits and as stated in Resolution herein.

In view of the above, the Nomination Remuneration & Compensation Committee and the Board of Directors at their Meetings held on July 25, 2022 and July 29, 2022 recommended the remuneration payable to directors who are neither Managing Directors nor Whole-time Directors within the limit not exceeding 1% of the net profits of the Company for Financial Year 2022-23 and onwards, in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time. Regulation 17(6) of the Listing Regulations authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of Members in general Meeting. The commission shall be distributed at such rate as approved by the Board of Directors within the overall limit of 1% of the net profits amongst all or some of the Non-Executive

Directors including Independent Directors, taking into consideration parameters such as attendance at Board and Committee Meetings, contribution at or other than at Meetings, etc. in accordance with the directions given by the Board as prescribed under the Nomination Remuneration & Compensation Policy of the Company. The above commission shall be in addition to sitting fees payable to the Director(s) for attending Meetings of the Board/Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other Meetings.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members. Accordingly, Members' approval is sought by way of an Ordinary Resolution for payment of commission to the Non-Executive Directors including Independent Directors as set out in the said resolution.

None of the Directors, Key Managerial Personnels or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice, except the Non-executive Directors including Independent Directors.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE AGM

(Additional Information of Directors seeking re-appointment as required under Regulation 36(3) of Listing Regulations, as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India)

Particulars	Item no. 3	Item no. 4
Name	Ms. Farah Malik Bhanji	Mr. Utpal Hemendra Sheth
Designation	Executive Director-Managing Director	Non-Executive - Nominee Director
Director Identification Number (DIN)	00530676	00081012
Date of Birth/Age	August 31, 1976 (Age 46 years)	June 20, 1971 (Age 51 years)
Nationality	USA	Indian
Qualification	Ms. Bhanji holds a bachelor's degree in arts and a bachelor's degree in business administration from the University of Texas at Austin. Ms. Bhanji has also completed owner/ president management program from Harvard Business School.	Mr. Sheth is a Cost Accountant and Chartered Financial Analyst from ICFAI, Hyderabad and holds bachelor's degree in commerce.
Original Date of Joining the Board	December 05, 2005	March 14, 2007
Experience (approx.)	20 years	30 years
Brief resume and nature of expertise in specific functional areas	With strong business acumen, attention to detail, and flair for fashion, Ms. Farah Malik Bhanji has led the Company into the new era of modern retailing. Under her able leadership, the Company has achieved equal growth for the organization as well as its employees. She has been the key personnel in developing relationships with foreign brands as well as creating deep relationships with strong vendor base and helped expand the store network of the Company. Ms. Bhanji is a professional responsible for the successful leadership and management of Company's business. She supervises and stirs all Company's operations, people, and ventures in order to maintain and grow business.	Mr. Utpal Hemendra Sheth has been working with Rare Enterprises since 2003 and is currently the Chief Executive Officer of Rare Enterprises, a proprietary asset management firm, and is responsible for investment and risk management.
Details of remuneration sought to be paid/Remuneration last drawn	Not exceeding 7 Crores p.a. as per the special resolution passed in the Extra ordinary General Meeting on June 21, 2021	NIL
Disclosure of relationship with other Directors/KMP	Ms. Farah Malik Bhanji, Managing Director of the Company is the daughter of Mr. Rafique Abdul Malik, Chairman of the Company and sister of Ms. Alisha Malik, President – E-Commerce & CRM (KMP).	Not Applicable

Particulars	Item no. 3	Item no. 4
Number of Equity Shares held in the Company	51,24,000	NIL
Number of Equity Shares held in the Company for any other person on a beneficial basis	Ms. Farah Malik Bhanji holds 75,367,920 Equity Shares of ₹ 5/- each as a Trustee of Rafique Malik Family Trust and 76,447,600 Equity Shares of ₹ 5/- each as a Trustee of Aziza Malik Family Trust	NIL
List of Directorship in other Companies as on March 31, 2022	1. Metro Shopping Plaza Private Limited 2. Sabina Comtrade Private Limited 3. Zia Comtrade Private Limited 4. Zarah Comtrade Private Limited 5. Metro Shopping Arcade Private Limited 6. Metro House Private Limited 7. Metro Holdings and Securities Private Limited 8. M.V. Shoe Care Private Limited	1. Kabra Extrusion Technik Ltd 2. Star Health and Allied Insurance Company Limited 3. NCC Limited 4. Aptech Limited 5. Concord Biotech Limited 6. Zenex Animal Health India Private Limited 7. Trustplutus Family Office & Investment advisers (India) Private Limited 8. Trust Asset Management Private Limited 9. Insight Asset Management (India) Private Limited 10. Trustplutus Wealth (India) Private Limited 11. Hiranandani Financial Services Private Limited 12. Trust Capital Holdings Private Limited 13. Hrs Insight Financial Intermediaries Private Limited 14. Chanakya Wealth Creation Private Limited (Opc) 15. Inventurus Knowledge Solutions Private Limited
List of Companies from which resigned in the past three years	NIL	1. Chanakya Corporate Services Privatelimited 2. Rare Equity Private Limited
Memberships/Chairmanships across Listed Entities	Details mentioned in Annexure A	
Details of Board/Committee Meetings attended by the Directors during the year	Details mentioned in the Corporate Governance Report	

ANNEXURE A
MEMBERSHIP/CHAIRMANSHIP ACROSS LISTED ENTITIES OF MS. FARAH MALIK BHANJI

Sr. No.	Name of the Company	Name of the Committee	Whether Member/Chairman
1	Metro Brands Limited	Corporate Social Responsibility & Sustainability Committee	Chairperson
		Audit Committee	Member
		Stakeholders Relationship Committee	Member
		Risk Management Committee	Chairperson

MEMBERSHIP/CHAIRMANSHIP ACROSS LISTED ENTITIES OF MR. UTPAL HEMENDRA SHETH

Sr. No.	Name of the Company	Name of the Committee	Whether Member/Chairman
1	Metro Brands Ltd.	Nomination, Remuneration & Compensation Committee	Member
2	Aptech Limited	Nomination & Remuneration Committee	Member
3	NCC Ltd	Nomination & Remuneration Committee	Member
4.	Star Health and Allied Insurance Co. Limited	Audit Committee	Member
		Nomination & Remuneration committee	Member
		Risk Management Committee	Member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