

**Independent Auditor's Report****To The Members of Metmill Footwear Private Limited [CIN: U19201MH2009PTC195829]****Report on the Audit of Financial Statements****Opinion**

We have audited the accompanying financial statements of Metmill Footwear Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 notes to the financial statements, including a summary of material 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2024, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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 financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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





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Key Audit Matters	How our audit addressed the key audit matter
Revenue recognition (as mentioned in note 1.C of the financial statements)	
Revenue from the sale of goods is recognised when significant risk and reward of ownership of the goods and control in goods is transferred to the customer and is measured net of discounts and returns. In some cases, discounts are offered by the Company after sale of goods to its buyer such discount is passed on to the final customers by the company's buyer. Hence, provision for such discounts is estimated and accrued.	<ul style="list-style-type: none">i. Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards.ii. Evaluated the design and tested the operating effectiveness of internal financial controls with respect to the revenue.iii. Tested the estimate of discounts accruals with underlying documentation such as management approved norms, customer agreements, sales data, and customer reconciliations, as applicable.iv. Tested sample journal entries out of a population of entries recorded during the year, selected based on specified risk-based criteria, to identify unusual items.v. Assessed that the disclosures in the financial statements are in accordance with the accounting standards.

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 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 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 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Management's Responsibility for the 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 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 accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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





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internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on these financial statements.

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

There is no other matter to be disclosed in the report.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.





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

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 / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V 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 no pending litigations on its financial position.

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 its knowledge and belief, as disclosed in the notes to accounts (Refer Note 25 (5) (xvi a) to the financial statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

iv. (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts (Refer Note 25 (5) (xvi b) to the financial statements), no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iv. (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.

v) Since the Company has not declared or paid any dividend during the year, the requirement of reporting, whether the dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013, is not applicable.





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vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks the Company uses "MyWay" Inventory & accounting software, which has two modules one is accounts module and other is inventory module, for maintaining its books of accounts.

This software has a feature of recording audit trail (edit log) facility and the same has been operated throughout the entire Financial Year for all relevant transactions recorded in the inventory module of the software, Audit log for accounts module transactions like Sales, Purchase, Credit Notes, Debit Notes and Expenses registers was also active throughout the entire Financial Year, however Audit log was not active for transactions of accounts module like Bank Book, Cash Book and Journal Register. This discrepancy has been communicated with the Management and prompt corrective action has been taken by the company.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting and inventory software, we did not come across any instance of the audit trail feature being tampered with.

For R R TIWARI SHAH & CO LLP

Chartered Accountants

FRN: W100785

R R Tiwari

CA Rajesh R. Tiwari
Partner

Membership No. 186833.

UDIN: 24186833BKFSIJ8299



Place: Mumbai

Date: 10th May, 2024



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Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of Metmill Footwear Private Limited on the financial statements for the year ended March 31, 2024)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Metmill Footwear Private Limited ("the Company"):

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification. The Company has a programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items once every year. In our opinion, this periodicity of physical verification 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.

(i) (c) The Company does not hold any Immoveable Property. Accordingly, para 3(i)(c) of the order is not applicable.

(i) (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year ended March 31, 2024.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories 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. 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.

(ii) (b) As disclosed in note 25B.4 to the financial statements, 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 of the company. In our opinion and according to the information and explanations given to us and based on the records examined by us in the normal





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course of audit of the financial statements the quarterly statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company.

(iii) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantee or security, or granted loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships, or any other parties during the year. Consequently, requirement of clauses (iii-a), (iii-c) (iii-d) (iii-e) and (iii-f) of paragraph 3 of the order are not applicable except para (iii)(b) below.

(iii)(b) During the year the Company has made investment in mutual funds and corporate deposits. In our opinion and according to the information and explanations given to us the investments made are not prejudicial to the Company's interest.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made, and there were no guarantees and securities provided by it.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain Cost accounts and Cost records as per applicability condition laid down under the Section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, so the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Income Tax deducted at sources, Professional Tax, Provident Fund, Employees' State Insurance, Duty of Custom, Goods & Service Tax (GST) and other material statutory dues applicable to it, with the appropriate authorities. The provisions relating to sales-tax, service tax, 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, 2024 for a period of more than six months from the date they became payable.

(vii) (b) According to the information and explanations given to us, there are no dues of Income-tax, Income Tax deducted at sources, Provident Fund, Employees' State Insurance, Service tax, Duty of customs, Duty of excise, and Value added tax as at 31 March 2024, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has taken Funded (Cash Credit & Working Capital) & Non-Funded (Letter of Credit & Buyers Credit) Loan facilities from Bank. It has not defaulted in repayment of Loans or other borrowings or in payment of interest thereon to the Bank.





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(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (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.

(ix) (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.

(ix) (e) The Company does not have any subsidiary, associates, or joint venture and hence, reporting under clause (ix)(e) of the Order is not applicable.

(ix) (f) The Company does not have any subsidiary, associates, or joint venture and hence, reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 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.

(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report under clause 3(xii) (a), (b) and (c) of the Order are not applicable to the Company.

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

(xiv) The Company is a private limited company which is deemed to be a public company following the provisions of subsection (71) to Section (2) of the Act; It is not required to appoint Internal auditor as it does not fulfil any of the criteria mentioned under section 138 of the act read with rule 13(1)(c) of Company (Accounts) rules, 2014. Hence the requirements to report under clause 3(xiv) (a) and (b) of the Order are not applicable to the Company.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors. hence provisions of section 192 of the Companies





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Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) (a) The Company is not engaged in any Non-Banking Financial or Housing Finance activities and the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirements to report under clause (xvi) (a), (b) and (c) of the Order are not applicable to the Company.

(xvi) (d) 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 in 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 disclosed in Note 25 (5) (xiv) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanation given to us, in respect of other than ongoing projects, there is no amount remaining unspent by the Company under subsection (5) of section 135 of the companies act 2013. It has spent the entire amount for Corporate Social Responsibility activities during the financial year itself. Hence there is no requirement of transferring any amount to a Fund as specified in Schedule VII to the Companies Act, 2013. Hence clause (xx) (a) & (b) of the Order are not applicable to the company. This matter has been disclosed in note no. 25A point 8 to the financial statements.

(xxi) The Company does not have any Subsidiary Company, hence reporting under clause (xxi) of the Order is not applicable to the company.

For R R TIWARI SHAH & CO LLP

Chartered Accountants

FRN: W100785

R. Tiwari
CA Rajesh-R. Tiwari
Partner

Membership No. 186833.

UDIN: 24186833BKFSIJ8299



Place: Mumbai

Date: 10th May, 2024

**“Annexure B” to the Independent Auditors’ Report**

(Referred to in paragraph 2 (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 Metmill Footwear Private Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the 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

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, 2024, 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 R R TIWARI SHAH & CO LLP

Chartered Accountants

FRN: W100785


CA Rajesh R. Tiwari
Partner

Membership No. 186833.

UDIN: 24186833BKFSIJ8299



Place: Mumbai

Date: 10th May, 2024

METMILL FOOTWEAR PRIVATE LIMITED

Regd Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai 400070.

Tel.: 02522-688000

Email Id : Info@metmill.com

CIN: U19201MH2009PTC195829



Balance Sheet as at March 31, 2024

₹ in Lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
1 Non-current assets			
(a) Property Plant and Equipment	2.1	115.95	117.03
(b) Other Intangible Assets	2.2	2.62	3.56
(c) Financial assets			
(i) Other financial assets	3	1.61	2.61
(d) Deferred tax assets (net)	24	41.39	39.98
Total Non Current Assets		161.57	163.18
2 Current assets			
(a) Inventories	4	488.31	769.24
(b) Financial Assets			
(i) Trade receivables	5	3,515.50	3,518.85
(ii) Cash and cash equivalents	6a	175.81	149.28
(iii) Bank balance other than (ii) above	6b	2,195.37	1,289.43
(iv) Loans & Advances	7	5.28	4.78
(c) Other Current Assets	8	55.80	80.60
Total Current Assets		6,436.08	5,812.18
Total Assets (1+2)		6,597.65	5,975.36
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	9	125.00	125.00
(b) Other Equity	10	5,878.18	5,275.20
Total Equity		6,003.18	5,400.20
Liabilities			
2 Non-current liabilities :-			
(a) Provisions	11	71.42	66.58
Total Non Current Liabilities		71.42	66.58
3 Current liabilities :-			
(a) Financial Liabilities :-			
(i) Borrowings	12	-	152.25
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	13	348.69	101.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	93.84	214.92
(b) Other current liabilities	14	53.77	14.66
(c) Provisions	15	26.74	25.15
Total Current liabilities		523.04	508.58
Total Equity and Liabilities (1+2+3)		6,597.65	5,975.36

See accompanying notes from Note "1 to 25B" forming part of the Financial Statements

In terms of our report attached

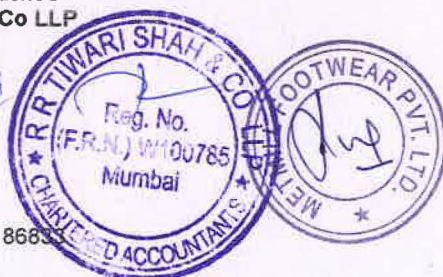
For R R Tiwari Shah & Co LLP

Chartered Accountants

FRN- W100785

Rajesh R Tiwari
Partner

Membership Number: - 186833



For and on behalf of the Board of Directors
METMILL FOOTWEAR PRIVATE LIMITED

Rafique Malik

Rafique Malik
Chairman
DIN: 00521563

Sunil J. Shah

Sunil J. Shah
Managing Director
DIN: 01777226

Place : Mumbai
Date : 10th May, 2024

UDIN: 24186833BKF8IJ8299

METMILL FOOTWEAR PRIVATE LIMITED

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Email Id : Info@metmill.com

CIN: U19201MH2009PTC195829



₹ in Lakhs

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2024

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	16	4,136.81	4,615.19
II Other income	17	137.99	57.29
III Total Income (I + II)		4,274.80	4,672.48
IV Expenses:			
a Purchases of stock-in-trade	18	1,898.94	2,782.49
b Changes in inventories of stock in trade	19	280.93	(199.24)
c Employee benefits expense	20	917.21	762.90
d Finance costs	21	1.91	9.14
e Depreciation and amortization expense	2	27.58	31.68
f Other expenses	22	366.99	384.40
Total expenses		3,493.55	3,771.38
V Profit before Tax for the Period (III-IV)		781.24	901.11
VI Tax expense :-			
(1) Current tax	23	193.72	120.04
(2) Prior Period Taxes	23	(4.10)	-
(3) Deferred tax	24	(3.91)	(5.14)
VII Profit after Tax for the Period (V - VI)		595.53	786.21
VIII Other comprehensive income		7.45	3.25
(i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		9.96	4.35
Income tax relating to items that will not be reclassified to P&L		-	-
Deferred tax relating to items that will not be reclassified to P&L		(2.51)	(1.10)
IX Total comprehensive income for the Period (VII + VIII)		602.99	789.46
X Earnings per equity share:			
(1) Basic (INR per share)		48.24	63.16
(2) Diluted (INR per share)		48.24	63.16

See accompanying notes from Note "1 to 25B" forming part of the Financial Statements

In terms of our report attached

For R R Tiwari Shah & Co LLP

Chartered Accountants

FRN- W100785
Rajesh R Tiwari

Partner

Membership Number: - 186833



For and on behalf of the Board of Directors

METMILL FOOTWEAR PRIVATE LIMITED
Rafique Malik

Chairman

DIN: 00521563

Sunil J. Shah

Managing Director

DIN: 01777226

UDIN: 24186833BKFSIJ8299**Place : Mumbai****Date : 10th May, 2024**

METMILL FOOTWEAR PRIVATE LIMITED

Regd Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai 400070.

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CIN: U19201MH2009PTC195829



Metmill Footwear

₹ in Lakhs

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	781.24	901.11
Adjustments for :-		
Depreciation	27.58	31.68
Gratuity Provision (Net off Payment)	16.38	17.42
Interest Income	(125.26)	(56.68)
Interest Paid	1.91	7.15
Gain / Loss from Mutual Funds	(3.84)	-
Profit on Old Car Exchange	(4.00)	-
Operating profit before working capital changes	694.01	900.68
Adjustments for :-		
(Increase) / Decrease in Inventories	280.93	(199.25)
(Increase) / Decrease in Trade Receivables	3.35	(423.16)
(Increase) / Decrease in Other Financial Assets under Current Assets	-	137.36
(Increase) / Decrease in Other Financial Assets under Non Current Assets	1.00	(0.73)
(Increase) / Decrease in Other Current Assets	(15.22)	(15.79)
(Increase) / Decrease in Loans under Current Assets	(0.50)	2.00
Increase / (Decrease) in Trade Payables	126.01	(18.29)
Increase / (Decrease) in Other Current Liabilities	39.12	(24.54)
Cash Generated from Operations	1,128.69	358.29
Direct Taxes (Paid) / Refund	(149.60)	(137.04)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	979.09	221.25
B CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Property Plant and Equipment	(24.51)	(33.27)
(Investment) / Realisation in Term deposit	(905.94)	(455.44)
Purchase of Intangible assets - Computer software	(1.05)	(2.55)
Interest income from Other Current Assets	125.26	56.68
Gain / Loss from Mutual Funds	3.84	-
Profit on Old Car Exchange	4.00	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(798.39)	(434.58)
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from borrowings	-	152.25
Repayment of borrowings	(152.25)	-
Interest Paid	(1.91)	(7.15)
NET CASH FLOW FROM FINANCIAL ACTIVITIES (C)	(154.16)	145.10
Net Increase/(Decrease) in cash and cash equivalents A+B+C	26.54	(68.23)
Cash and cash equivalents at the beginning of the Period	149.28	217.50
Cash and cash equivalents at the end of the Period	175.81	149.28
Net increase / (Decrease) in cash and cash equivalents	26.54	(68.23)

Previous Period figures have been regrouped, reclassified wherever necessary, to confirm to the current period grouping.

In terms of our report attached
For R R Tiwari Shah & Co LLP
Chartered Accountants
FRN- W100785

Rajesh R Tiwari
Partner
Membership Number: - 186833



Place : Mumbai
Date : 10th May, 2024

For and on behalf of the Board of Directors
METMILL FOOTWEAR PRIVATE LIMITED

Rafique Malik
Chairman
DIN: 00521563

Sunil J. Shah
Managing Director
DIN: 01777226

UDIN: 24186833BKFSIJ8299

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**Statement of changes in equity for the year ended March 31, 2024****A. Equity share capital****Particulars****Balance at April 1, 2023**

125.00

Changes in equity share capital

-

Balance at March 31, 2024**125.00****Balance at April 1, 2022**

125.00

Changes in equity share capital

-

Balance at March 31, 2023**125.00****B. Other Equity****Particulars****Balance at April 1, 2023**

A

5,275.20

Profit for the period

B

595.53

Other comprehensive income (net of taxes)

C

7.45

Total comprehensive income for the Period

D=(B+C)

602.99**Balance at March 31, 2024**

E

5,878.18**Balance at April 1, 2022**

K

4,485.74

Profit for the Period

L

786.21

Other comprehensive income (net of taxes)

M

3.25

Total income for the Period

N=(L+M)

789.46**Balance at March 31, 2023**

O

5,275.20**See accompanying notes from Note "1 to 25B" forming part of the Financial Statements**

In terms of our report attached

For R R Tiwari Shah & Co LLP

Chartered Accountants

FRN- W100785

Rajesh R Tiwari

Partner

Membership Number: - 186833

**Rafique Malik**

Chairman

DIN: 00521563

Sunil J. Shah

Managing Director

DIN: 01777226

Place : Mumbai**Date : 10th May, 2024**

UDIN : 24186833BKFSIJ8299

METMILL FOOTWEAR PRIVATE LIMITED

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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note No. 1

1a . Corporate Information :

Metmill footwear Private Limited ('the Company') is engaged in the business of wholesale and Online Retail of footwear. The Company is a Subsidiary of Metro Brands Ltd which is a Listed Public Company which holds 51% of Equity Share Capital of the Company.

The addresses of its registered office and principal place of business are given below:

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400 070.

With approval from MCA, Books of accounts of the Company are kept at its Admin office Ground Floor, 1st Floor And 2nd Floor, Z/2, Shree Arihant Compound, Kalher Pipe Line, Thane Bhiwandi Road, Bhiwandi, Thane, Maharashtra, 421302

1b . Material Accounting Policy information

A) Statement of compliance :

Basis of preparation and presentation of financial statements

The 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 financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All values are rounded to the nearest lakhs except when otherwise indicated.

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.

The 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.

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.

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.

B) Use of Estimates:

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS which requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the periods. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

C) Revenue Recognition:

i) Sale of goods:

Revenue from the sale of goods including sale through e-commerce is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- (i) the Company has transferred to the buyer the significant risk and reward of ownership of the goods;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the cost incurred or to be incurred in respect of the transaction can be measured reliably.

In case of discounts, credits, or similar terms, consideration are determined based on its expected value, which is assessed at each reporting period.

ii) Other Income :

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Gain on redemption of mutual fund is recognised as and when mutual fund is redeemed.

Profit on sale of Car is recognised as and when ownership of car is transferred to buyer and it is probable that the economic benefits associated with the transaction will flow to the Company



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Notes forming part of the Financial Statements for the year ended March 31, 2024

D) 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.

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 over the period of lease or 10 years whichever is lower.

Depreciation on other tangible property, plant and equipment is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets acquired separately:

Intangible Assets with finite useful lives are 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 are acquired separately are carried at cost less accumulated impairment loss.

Intangible assets are amortised over their estimated useful life as follows:-

Trademark – 10 years

Computer Software- As per expected life of each items

E) 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 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 Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

F) Inventories:

Inventories are valued at the lower of cost and net realisable value, after providing for obsolescence, shortages and damaged stocks, wherever necessary. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The inventory has been valued as per the First in First out method.

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.

G) Taxes on Income:

Income Tax expense represents the sum of the tax currently payable 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.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously



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Notes forming part of the Financial Statements for the year ended March 31, 2024

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 realized, 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.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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.

H) Employee Benefits:

Employee Benefit Expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses and staff welfare expenses.

i) 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.

ii) Long-term employee benefits:

Provident Fund

A) The Provident Fund is a defined Government contribution scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment.

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.



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CIN: U19201MH2009PTC195829



Notes forming part of the Financial Statements for the year ended March 31, 2024

Gratuity Fund

B) The Company does not have any gratuity fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and

▶ Net interest expense or income

ii) Compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each period end.

Actuarial gains/losses are recognised in the period in which they occur, directly in other comprehensive income.

Defined benefit Gratuity plan disclose in Note 25A(4)(c) is as per Actuarial Valuation report taken by the management from Actuaries & Consultant.

I) 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 reporting Company's 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 for the period in which they arise and disclosed as a net amount in the financial statements.

J) Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that the company will be required to settle the obligation in respect of which a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities and Contingent Assets are disclosed in the Notes.

(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.

(iii) Contingent Assets

Contingent asset are disclosed when:

- An inflow of economic benefits is probable
- There are unplanned or unexpected event that give rise to the possibility of an inflow of economic benefit to the Company, where the outcome is uncertain.

Contingent Assets are assessed continually to ensure that developments are appropriately reflected in the Financial Statements.



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Notes forming part of the Financial Statements for the year ended March 31, 2024

K) Financial assets and Financial liabilities:

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. 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 or Loss.

All regular way purchases or sales of financial assets are recognised on a trade date basis. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets. With respect to trade receivables the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Company's majority business is with large organized channels. In case business operations with any customer ceases and amount pending exceeds more than two years then Company will recognise expected credit loss.

Company also has small-mid customers, in this case Company will recognise expected credit loss based on historic experience if outstanding amount is more than one year.

De recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de recognition of a financial asset in its entirety, the difference between the assets carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that has been recognized in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

Financial liabilities and equity instruments

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

Equity instrument

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

Financial liabilities

All the financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss (FVTPL).

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when the Company'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 derecognized and the consideration paid and payable is recognised in the Statement of Profit or Loss.

L) Leases :

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

M) Earnings per Share :

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.



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N) Cash Flow Statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

O) 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.

P) Going concern

Note 1.c - First-Time Adoption- Mandatory Exceptions, Optional Exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

A. Exceptions applied:

(i) Use of Estimates:

The Company's estimates in accordance with Ind AS at the date of transition are consistent with previous GAAP (after adjustments to reflect any difference in accounting policies) or as required under Ind AS but not under previous GAAP.

(ii) Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

(iii) Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

B. Exemptions applied:

(i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(ii) Fair value measurement of financial assets or financial liabilities at initial recognition

The Company has elected to apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS.

The 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 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.



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 2

2.1

Property, Plant and Equipment

Description of Assets	Leasehold Improvements	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost						
Balance as at April 01, 2023	37.57	123.75	38.68	53.74	21.65	275.39
Additions	-	-	2.51	19.64	2.36	24.51
Disposals	-	-	-	-	-	-
Balance as at Mar 31, 2024	37.57	123.75	41.19	73.38	24.01	299.90
II. Accumulated depreciation						
Balance as at April 01, 2023	37.57	50.92	26.38	23.79	19.70	158.36
Depreciation expense for the period	-	12.97	5.13	6.23	1.27	25.60
Eliminated on disposal of assets	-	-	-	-	-	-
Balance as at Mar 31, 2024	37.57	63.89	31.51	30.02	20.97	183.96
III. Net carrying amount (I-II)						
Balance as at April 01, 2023	-	72.83	12.30	29.95	1.95	117.03
Balance as at Mar 31, 2024	-	59.86	9.68	43.36	3.04	115.95

Property, Plant and Equipment

Description of Assets	Leasehold Improvements	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost						
Balance as at April 01, 2022	37.57	132.13	43.04	37.88	24.31	274.93
Additions	-	1.93	0.91	28.61	1.82	33.27
Disposals	-	(10.31)	(5.27)	(12.75)	(4.48)	(32.81)
Balance as at March 31, 2023	37.57	123.75	38.68	53.74	21.65	275.39
II. Accumulated depreciation						
Balance as at April 01, 2022	37.57	46.53	25.94	31.87	19.78	161.69
Depreciation expense for the Period	-	14.70	5.71	4.67	4.40	29.48
Eliminated on disposal of assets	-	(10.31)	(5.27)	(12.75)	(4.48)	(32.81)
Balance as at March 31, 2023	37.57	50.92	26.38	23.79	19.70	158.36
III. Net carrying amount (I-II)						
Balance as at April 01, 2022	-	85.60	17.10	6.01	4.53	113.24
Balance as at March 31, 2023	-	72.83	12.30	29.95	1.95	117.03



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₹ in Lakhs

Notes forming part of the Financial Statements for the year ended March 31, 2024**2.2****Other Intangible Asset**

Description of Assets	Computer Software	Trade Mark	Total
I. Cost			
Balance as at April 01, 2023	11.75	1.21	12.96
Additions	1.05	-	1.05
Disposals	-	-	-
Balance as at Mar 31, 2024	12.80	1.21	14.01
II. Accumulated depreciation			
Balance as at April 01, 2023	8.35	1.05	9.40
Depreciation expense for the Period	1.86	0.12	1.98
Disposals	-	-	-
Balance as at Mar 31, 2024	10.21	1.17	11.38
III. Net carrying amount (I-II)			
Balance as at April 01, 2023	3.40	0.16	3.56
Balance as at Mar 31, 2024	2.59	0.04	2.62

Other Intangible Asset

Description of Assets	Computer Software	Trade Mark	Total
I. Cost			
Balance as at April 01, 2022	9.75	1.21	10.96
Additions	2.55	-	2.55
Disposals	(0.55)	-	(0.55)
Balance as at March 31, 2023	11.75	1.21	12.96
II. Accumulated depreciation			
Balance as at April 01, 2022	6.82	0.93	7.75
Depreciation expense for the Period	2.08	0.12	2.20
Eliminated on disposal of assets	(0.55)	-	(0.55)
Balance as at March 31, 2023	8.35	1.05	9.40
III. Net carrying amount (I-II)			
Balance as at April 01, 2022	2.93	0.28	3.21
Balance as at March 31, 2023	3.40	0.16	3.56



Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 3

Other Financial Assets under Non Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
a. Security Deposits*		
Unsecured, considered good - Others	1.61	2.61
Total	1.61	2.61

*Security deposits have recorded at book value in view of insignificant amount

Note 4

Inventories under Current Assets (At lower of cost or net realizable value)

Particulars	As at March 31, 2024	As at March 31, 2023
Stock in trade	488.31	769.24
Total	488.31	769.24

Note 5

Trade Receivables under Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables - Unsecured, considered good		
Holding Co. Metro Brands Ltd. (Considered good)	28.14	161.90
Other trade Receivables (Considered good)	3,487.36	3,356.95
Other trade Receivables- Credit Impaired	67.45	68.80
Trade Receivable unsecured considered good + impaired	3,582.95	3,587.65
Less:- Allowance for expected credit loss*	(67.45)	(68.80)
Net Trade Receivable unsecured considered good	3,515.50	3,518.85

*the expected credit loss amounting to Rs. 67.45 lakhs related to Future Enterprises Ltd. (FEL) on which Corporate Insolvency Resolution process has started an according to the report of reconstitution of Committee of Creditors dated 05th June 2023 as disclosed by the FEL, the name of the Company (Metmill Footwear Pvt. Ltd.) falls under List of operational creditors other than workmen and employees and Government dues and the claim of Rs. 67.45 lakhs is admitted by FEL.

Trade Receivable ageing schedule

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed Trade receivable considered good: -		
Less Than 6 months	2,903.97	3,173.23
6 months - 1 year	611.04	340.66
1 -2 Years	0.49	4.96
2 - 3 Years	-	-
More than 3 years	-	-
Net Trade receivable considered good	3,515.50	3,518.85
Undisputed Trade receivable credit impaired: -		
1 -2 Years		1.35
2 - 3 Years -		-
More than 3 years	67.45	67.45
Gross Trade Receivable (Good + credit impaired)	67.45	68.80



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₹ in Lakhs

Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 6a

Cash and cash equivalents under Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
a. Balances with Banks		
in Current Accounts	175.32	23.29
in other Bank Account *	-	125.00
b. Cash on hand	0.50	0.99
Total	175.81	149.28

* Deposits in bank with original maturity less than 3 months

Note 6b

Bank balance/Deposits other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with banks	974.08	1,289.43
Others: - Deposits with Financial Institutions	1,221.29	-
Total	2,195.37	1,289.43

Note 7

Loans under Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees#	5.28	4.78
(Unsecured, considered Good)	-	-
Total	5.28	4.78

Loan given to employee have recorded at book value in view of insignificant amount

Note 8

Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
a. Others		
Unsecured, considered good		
Prepaid Expenses	1.23	1.97
Advances to Suppliers	24.29	-
Balances with Government Authorities: -		
GST Receivable	-	7.45
GST Appeal Deposit*	5.93	6.80
Income tax receivable(net of Provision)	24.35	64.38
Total	55.80	80.60

* The GST Appeal has been disposed off before the end of the year, an order is passed by Joint Commissioner of State Tax (Appeals) in favour of the Company. The GST deposit refund procedure is in process.



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₹ in Lakhs

Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 9

Equity Share capital

Share Capital	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Authorised Equity Shares of face value of Rs. 10 each	20,00,000.00	200.00	20,00,000.00	200.00
Issued Equity Shares of face value of Rs. 10 each	12,50,000.00	125.00	12,50,000.00	125
Subscribed & Paid up Equity Shares of face value of Rs. 10 each fully paid	12,50,000.00	125.00	12,50,000.00	125
Total	12,50,000.00	125.00	12,50,000.00	125.00

The Company has single class of equity shares. Each equity shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining net assets of the company, in proportion to their shareholding.

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number in lakhs	Amount	Number in lakhs	Amount
Shares outstanding at the beginning of the Period	12.50	125.00	12.50	125.00
Shares Issued during the Period	-	-	-	-
Shares bought back during the Period	-	-	-	-
Shares outstanding at the end of the Period	12.50	125.00	12.50	125.00

6,37,500 Equity Shares of Rs. 10 each fully paid up is held by Metro Brands Limited.

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number in lakhs	% of Holding	Number in lakhs	% of Holding
Metro Brands Limited. (Promoter)	6.375	51.00	6.375	51.00
Shri. Sunil J. Shah (Promoter)	6.125	49.00	6.125	49.00
Total	12.500	100.00	12.500	100.00

All the shares of the company are held by Promoters mentioned above, there is no change in shareholding of the company for the period ended 31, March 2023 and 31 March 2024.



Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 10

Other Equity - Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
a. Surplus		
Opening Balance as on 1st April	5,275.20	4,485.74
(+) Net Profit for the current Period before Other comprehensive income	595.53	786.21
b) Items of Other Comprehensive Income Net of Taxes		
Remeasurements of defined benefit plans	7.45	3.25
Total	5,878.18	5,275.20

Note 11

Provisions under Non Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Provision for employee benefits		
Gratuity (unfunded)	71.42	66.58
Total	71.42	66.58

Note 12

Financial liability - Borrowings under Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
<u>Secured</u>		
From Bank		
Buyers Credit	-	152.25
(Primarily Secured By Book Debts, Hypothecation of Inventories, and all other current assets both present and future)*		
Total	-	152.25

*Security is provided for working capital loan facility taken but not utilised as at the end of the year.

Note 13

Trade Payable under Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Total Outstanding dues of Creditors of Micro Enterprises and Small Enterprises Categories		
Payable to MSME	348.69	101.60
Refer Note 25(6)		
Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises		
Payable to Others	93.84	214.92
Total	442.53	316.52



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Trade payable ageing schedule

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed Trade payable "MSME": -		
Less Than 1 year	348.69	101.60
1 -2 Years	-	-
2 - 3 Years	-	-
More than 3 years	-	-
Net undisputed Trade payable "MSME"	348.69	101.60
Undisputed Trade payable "Others": -		
Less Than 1 year	93.84	214.92
1 -2 Years	-	-
2 - 3 Years	-	-
More than 3 years	-	-
Net undisputed Trade payable "Others"	93.84	214.92
Disputed Dues MSME*	-	-
Disputed Dues Others*	-	-
Total Trade payable MSME & Others	442.53	316.52

* There are no disputed dues with MSME & Others

Note 14

Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
1. Income received in advance from customers	1.18	0.25
Other payables : -		
(i) Statutory obligation	52.59	14.41
Total	53.77	14.66

Note 15

Provisions under Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Provision for employee benefits		
Provision for Gratuity (unfunded)	26.74	25.15
Total	26.74	25.15



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 16

Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Sale of products - (Traded Goods) - Footwear	4,107.12	4,614.96
Other revenue - Business Support service	29.69	0.23
Total	4,136.81	4,615.19

Note 17

Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Bank / Financial Institution Fixed Deposits	125.26	56.68
Interest on Income Tax Refund	2.08	0.61
Foreign Exchange Fluctuation	2.31	-
Profit on Old Car Exchange	4.00	-
Interest on VAT Refund	0.49	-
Gain / Loss from Mutual Funds	3.84	-
Total	137.99	57.29

Note 18

Purchases of Stock-in-Trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Footwear	1,801.44	2,701.38
Packing Materials	97.50	81.11
Total Purchases of Stock-in-Trade	1,898.94	2,782.49

Note 19

Changes in Inventories of Stock-In-Trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the Period :		
Stock-in-trade (closing)	488.31	769.24
Inventories at the beginning of the Period :		
Stock-in-trade (opening)	769.24	570.00
Net (increase) / decrease in Stock-in-trade	280.93	(199.24)

Note : amount of write down of inventory to net realizable value recognised as expense during the F.Y. 23-24 is Rs. 6.55 lakhs and for F.Y. 22-23 Rs. 72.92 lakhs

Note 20

Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages & Directors Remuneration	833.50	697.92
Contributions to : - Provident fund	30.10	24.66
Contributions to : - ESIC	15.94	12.58
Gratuity	25.70	19.17
Maharashtra labour welfare board	0.08	0.07
Staff welfare expenses	11.90	8.50
Total	917.21	762.90



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 21

Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Buyers credit	1.81	7.14
Interest on late payments to MSME parties	0.09	2.00
Total	1.91	9.14

Note 22

Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	4.62	4.05
Allowance for expected credit losses- trade receivables	-	35.08
Bank Charges	0.18	1.46
LC Charges	0.15	0.56
Rent & Maintenance	28.60	28.69
Insurance	2.06	2.06
Repairs and maintenance - Others	5.11	10.52
Advertisement & Sales promotion	36.70	6.46
Commission on sales	72.77	59.35
Freight, Transportation, Logistic, loading & unloading charges	111.75	125.00
Communication	2.22	2.03
Courier & Postage	1.27	0.83
Travelling and conveyance	54.91	40.33
Printing and stationery	1.20	1.47
Legal and professional	12.45	17.48
Directors Sitting fees	0.50	2.30
Payments to auditors	5.50	5.50
Other Taxes & Interest on delayed payment of taxes	0.40	0.01
Corporate Social Responsibility	2.05	4.50
GST & Sales Tax Assessment Dues	0.32	3.75
Motor Car Expenses	3.86	3.52
Penalty paid on GST	0.20	-
Miscellaneous & selling Expenses - Note 22.1	20.16	15.62
Foreign Exchange fluctuation	-	13.50
Brokerage- others	-	0.33
Total	366.99	384.40

Note 22.1

Other Miscellaneous & Selling Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Miscellaneous expenses		
Shoe and Bag Repair Expenses	2.05	0.25
Professional Tax	0.03	0.03
Material Display Charges	1.42	1.04
Computer Expenses	5.26	5.06
GST paid on damaged goods & advertising	2.28	2.42
Office Expenses	7.68	5.41
Security Charges	1.46	1.41
Total of Miscellaneous expenses	20.16	15.62



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 23

Current Tax

(a) Income tax recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
In respect of current year	193.72	120.04
In respect of prior year	(4.10)	-
Total	189.62	120.04
Deferred Tax		
In respect of current year origination and reversal of temporary differences & reduction in tax rate	(3.91)	(5.14)

(b) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
Remeasurement of defined benefit obligations	-	-
Deferred Tax		
Remeasurement of defined benefit obligations	(2.51)	(1.10)
Bifurcation of income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit and loss	(2.51)	(1.10)

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	781.24	901.11
Income tax expense calculated at 25.168% for both Periods	196.62	226.79
Effect of tax of unabsorbed loss & Depreciation	-	(122.35)
Effect of expenses that are non-deductible in determining taxable profit	4.29	15.60
Effect of tax due to 80JAA deduction claimed under Income tax law	(7.19)	-
Deferred Tax due change in tax rates (Recognised in Statement of Profit and Loss A/c)	(3.91)	(5.14)
Prior Period Taxes	(4.10)	-
Income tax expense recognised in Statement of Profit and Loss	185.71	114.90

Note :

The tax rate used above for the year ended March 2024 & March 2023 is the corporate tax rate of 25.168% (including surcharge 10% and Education and higher education cess 4%) payable by corporate entities in India on taxable profits under Indian income tax laws u/s 115BAA.



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Notes forming part of the Financial Statements for the year ended March 31, 2024

Note 24

Deferred tax

Particulars	For the year ended March 31, 2024			
	Opening Balance/Adjusted Through Reserves	Recognised in the Statement of Profit and Loss for current Period timing Difference	Derecognised in the Statement of Profit and Loss for current Period due to Impairment	Closing Balance
Tax effect of items constituting deferred tax asset/(liabilities)				
Property, plant and equipment	16.90	(0.21)	-	16.69
Ind AS 19 and others including OCI	23.09	1.62	-	24.70
Net deferred tax asset/(liabilities)	39.98	1.41	-	41.39

Particulars	For the year ended March 31, 2023			
	Opening Balance/Adjusted Through Reserves	Recognised in the Statement of Profit and Loss for current Period timing Difference	Derecognised in the Statement of Profit and Loss for current Period due to Impairment	Closing Balance
Tax effect of items constituting deferred tax asset/(liabilities)				
Property, plant and equipment	16.15	0.75	-	16.90
Ind AS 19 and others including OCI	19.80	3.29	-	23.09
Net deferred tax asset/(liabilities)	35.94	4.04	-	39.98



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₹ in Lakhs

Notes forming part of the Financial Statements for the year ended March 31, 2024

NOTE : - 25

OTHER EXPLANATORY INFORMATION

Additional information / Disclosure as required by Division II Ind AS Schedule III General Instructions for Preparation of Balance sheet, Profit & Loss Account and relevant Ind AS is disclosed hereunder.

Balance Sheet Disclosures:

1 Contingent liabilities and commitments (to the extent not provided for)

a) There is no claim against the company not acknowledged as debts, nor any commitments are made by the Company.

b) There is no guarantees given by the Company

2 There is no dividend proposed or paid by the Company.

3 The Company has not issued any shares for specific purpose or otherwise during the year.

4 The Company has properly used the borrowed funds from bank for the specific purpose for which it was used.

5 **Additional Regulatory Information as required by General Instructions for preparation of Balance Sheet Division II Ind AS Schedule III of Companies Act 2013 Clause L. Inserted pursuant to MCA Notification G.S.R. 207(E) dated 24th March 2021 w.e.f 01.04.2021**

i) The Company does not own any immovable property.

ii) There is no investment property other than bank/Financial institutions fixed deposits.

iii) The Company has not revalued its Property Plant and Equipment's.

iv) The Company has not revalued its Intangible assets

v) There are no Loans and Advances granted to promoters, directors, KMP'S and the related parties either severally or jointly with any other person.

vi) The Company has no Capital Work in Progress.

vii) The Company has no intangible assets under development.

viii) 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.

ix) The Company has a Working Capital limit of Rs.10 Crore which is unutilised as on 31st March 2024. For the said facility the Company has submitted Stock and debtors statement to the bank on monthly basis and also the Quarterly Information Statements. The Statements are in accordance with books of accounts.

x) The company has not been declared a Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

xi) The company has verified status of each companies under MCA portal. The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

xii) All charges on the Company are properly registered. There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

xiii) The Company does not have any subsidiary, hence the provision of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.



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₹ in Lakhs

Notes forming part of the Financial Statements for the year ended March 31, 2024

xiv) Ratio Analysis:									
Sr. No.	Ratio with formula	As at 31st March 2024			As at 31st March 2023			% Variance as compared to previous year	Reason for Variance if above 25% change
		Numerator	Denominator	Ratio in times	Numerator	Denominator	Ratio in		
a	Current Ratio: Current Assets / Current Liabilities	6411.73	523.04	12.26	5747.80	508.58	11.30	8.47%	Below 25%
b	Debt-Equity Ratio: Total Debt / Shareholder's Equity	0.00	6003.18	0.00	152.25	5400.20	0.03	0.00%	NA
c	Debt Service Coverage Ratio: Earnings available for debt service / debt service	624.93	155.14	4.03	825.02	269.55	3.06	31.60%	Compare to last year less outstanding debts.
d	Return on Equity Ratio: Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	595.53	5701.69	0.10	786.21	5005.47	0.16	-33.50%	Compare to last year Turnover reduced impacting lower Net Earnings available to Equity Shareholders
e	Inventory turnover ratio: COGS / Average Inventory	2179.87	628.78	3.47	2583.24	869.62	3.86	-10.13%	Below 25%
f	Trade receivables turnover ratio: Net Credit Sales / Average Accounts Receivable	4932.88	3517.18	1.40	5726.53	3307.27	1.73	-19.00%	Below 25%
g	Trade payables turnover ratio: Net Credit Purchases / Average Trade Payables	2144.90	293.79	7.30	3137.95	257.81	12.17	-40.02%	Compare to last year year less dispatch resulting less purchase
h	Net capital turnover ratio: Net Sales / Average Working Capital	4135.81	5608.32	0.74	4615.19	4842.92	0.95	-22.60%	Below 25%
i	Net profit ratio: Net Profit after tax / Net sales	595.53	4136.81	0.14	786.21	4615.19	0.17	-15.49%	Below 25%
j	Return on capital employed ROCE: Earning before interest and taxes / Capital Employed	783.06	6003.18	0.13	908.24	5552.45	0.16	-20.26%	Below 25%
k	Return on investment: Income from investment divided by the closing balance of the investment	-	-	0.00	-	-	0.00	0.00%	N.A.

Explanation of the items included in numerator and denominator for computing the above ratios:

- a **Current Ratio:** Current Assets includes inventories, trade receivable, cash and cash equivalents, short term loans and advances and other current assets which are having realisable value. It does not included Advance tax or TDS. Current Liabilities includes trade payable and other current liabilities but excludes income tax provisions.
- b **Debt-Equity Ratio:** The Total debt is Company borrowings. Shareholders equity is calculated as share capital + reserves & surplus.
- c **Debt Service Coverage Ratio:** Earnings available for debt service is calculated as Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc. Debt service = Interest + Principal.
- d **Return on Equity Ratio:** Average Shareholder's Equity is calculated as opening + closing / 2 of equity share capital + reserves & surplus.
- e **Inventory turnover ratio:** COGS is calculated as opening stock+ purchase-closing stock. Average inventory is (Opening + Closing balance / 2).
- f **Trade receivables turnover ratio:** Net credit sales consist of gross credit sales minus sales return. Net GST is added in it. Average trade receivable = (Opening + Closing balance / 2).
- g **Trade payables turnover ratio:** Net credit purchases consist of gross credit purchases of goods & packing minus purchase return+ ITC on goods & packing, import ITC is excluded. Average trade payable = (Opening + Closing balance / 2) of only goods and packing creditors.
- h **Net capital turnover ratio:** Net Sales means sales minus sales return and discounts. Working capital is calculated as current assets minus current liabilities.
- i **Net profit ratio:** Net sales is calculated as total sales minus sales returns and discounts.
- j **Return on capital employed (ROCE):** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability. (Company has net Deferred tax Assets).
- k **Return on investment:** Company has no investment activity.

xv) There is no Scheme of Arrangements undertaken by Company

xvi) a The company has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding whether recorded in writing or otherwise.

xvi) 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.

6 As per the information relating to the suppliers registered as Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises (Development) Act, 2006, the Company has identified such suppliers and information required under the said Act has been complied and disclosed.

Particulars	As at 31st March 2024	As at 31st March 2023
The principal amount remaining unpaid to any supplier at the end of the period	348.69	101.60
Interest due remaining unpaid to any supplier at the end of the period	0.00	0.21
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 period	31.86	315.44
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	0.00	0.00
The amount of interest accrued and remaining unpaid at the end of each period	0.00	0.21
The amount of further interest remaining due and payable even in the succeeding periods, 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	0.00	0.00



Notes forming part of the Financial Statements for the year ended March 31, 2024

NOTE : - 25A

OTHER EXPLANATORY INFORMATION

Additional information / Disclosure as required by Division II Ind AS Schedule III General Instructions for Preparation of Balance sheet, Profit & Loss Account and relevant Ind AS is disclosed hereunder.

Profit and Loss Disclosures:

1 Earning Per Share (EPS) - Ind AS 33

PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit after tax	595.53	786.21
Profit attributable to Equity Shareholder	602.99	789.46
Number of Equity Shares (Weighted Avg. Basis)	12.50	12.50
Basic and diluted EPS (INR per share)	48.24	63.16
EPS Excluding Exceptional Items (INR per share)	48.24	63.16
Nominal value of shares (INR per share)	10.00	10.00

2 REMUNERATION TO AUDITORS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit	2.50	2.50
Income Tax Audit	0.75	0.75
Other Matters	2.25	2.25
Total Remuneration to Auditors	5.50	5.50

3 Related party disclosures, as required by "Ind AS - 24 Related Parties Disclosures" are given below:

A) Related parties and their relationship: -

Associated companies & firms :

Metro Brands Ltd	Holding Company
Mayur Chemicals	MD Sunil J Shah is a Partner in firm
Neoland Projects Pvt. Ltd.	MD Sunil J Shah is a Director in Company
M.V. Shoe Care Pvt Ltd	MD Sunil J Shah is a Director in Company
Nirav S. Shah	Son of Managing Director

B) Key Management personnel

Name of the Persons	Nature of Relationship
1. Shri Rafique Malik	Chairman
2. Shri Sunil J Shah	Managing Director
3. Shri Kaushal K Parekh	Director



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Notes forming part of the Financial Statements for the year ended March 31, 2024

C] Details of Transaction carried out with the related parties in the ordinary course of business

Sr no.	Party Name and Nature of Transactions	Volume of Transactions For the year ended 31.03.2024	Outstanding Balances As on 31.03.2024	Volume of Transactions for the year ended 31.03.2023	Outstanding Balances As on 31.03.2023
(i)	<u>Rent & Electricity Chgs Paid</u> Mayur Chemicals	22.59	-	21.50	-
(ii)	<u>Managerial Remuneration</u> Shri Sunil J shah	62.10	5.18	54.00	2.96
(iii)	<u>Sales</u> Metro Brands Ltd (Net off Taxes and returns).	30.86	28.14	202.18	161.90
(iv)	<u>Purchase & Purchase Returns</u> Metro Brands Ltd	-	-	-	-
(v)	<u>Other Expenses & Expenses Recovered</u> Metro Brands Ltd . - Expenses Recovered	4.39	-	5.57	-
(vi)	Salary to Nirav Shah	48.30	4.03	42.00	2.50
(vii)	<u>Off balance sheet</u> Corporate guarantee provided by Metro Brands Ltd Unsecured Loan sanctioned from Metro Brands Ltd Rs. 5 crore which is not been availed/utilised by the Company.	- -	- -	- -	- -

4 Employee Benefits Disclosure

Disclosure as required by Ind AS -19 "Employee Benefits" are given below:

a Employee Benefits

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary & Wages (other than directors remuneration)	771.40	643.92
Employee welfare expenses	11.90	8.50

b Defined Contribution Plans, recognised as expense for the periods is as under :

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity i.e. (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	30.10	24.66
Contribution to ESIC Fund	15.94	12.58

c Defined Benefit - Gratuity Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

i Assets and Liab (Balance Sheet Position) - para 64 of Ind AS 19

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation	98.16	91.73
Fair Value of Plan Assets	-	-
Surplus / (Deficit)	98.16	91.73
Effects of Asset Ceiling, if any	-	-
Net Asset / (Liability)	98.16	91.73



Notes forming part of the Financial Statements for the year ended March 31, 2024

ii Expenses recognised during the periods - para 120 of Ind AS 19

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In Income Statement	25.70	19.17
In Other Comprehensive Income	(9.96)	(4.35)
Total Expenses Recognized during the period	15.74	14.82

iii Changes in the Present Value of Obligation - para 140(a)(ii) and 141 of Ind AS19

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation as at the beginning	91.73	78.65
Current Service Cost	19.84	13.66
Interest Expense or Cost	5.86	5.51
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	0.77
change in financial assumptions	0.67	1.96
experience variance (i.e. Actual experiences vs assumptions)	(10.63)	(7.08)
Past Service Cost	-	-
Benefits Paid	(9.31)	(1.74)
Present Value of Obligation	98.16	91.73

iv Bifurcation of Present Value of Obligation at the end of the periods as per revised Schedule III of the Companies Act, 2013

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Liability (Short term)	26.74	25.15
Non-Current Liability (Long term)	71.42	66.58
Present Value of Obligation	98.16	91.73

v Expenses Recognised in the Income Statement - para 57(c) of Ind AS 19

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Service Cost	19.84	13.66
Past Service Cost	0.00	0.00
Interest Expense or Cost	5.86	5.51
Present Value of Obligation as at the end	25.70	19.17

vi Other Comprehensive Income - para 57(d) of Ind AS19

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses		
change in demographic assumptions	0.00	0.77
change in financial assumptions	0.67	1.96
experience variance (i.e. Actual experience vs assumptions)	(10.63)	(7.08)
Components of defined benefit costs recognised in other comprehensive income	(9.96)	(4.35)

vii The principal financial assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (per annum)	7.25% p.a.	7.40% p.a.
Salary growth rate (per annum)	For H.O. - 10% and For Sales Staff - 5%.	For H.O. - 10% and For Sales Staff - 5%.

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

viii The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Mortality rate (% of IALM 2012-14)	100%	100%
Normal retirement age	60 Years	60 Years
Attrition / Withdrawal rates, based on Category (per annum): -		
H.O. years	10.00%	10.00%
Sales Staff years	50.00%	50.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.



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Notes forming part of the Financial Statements for the year ended March 31, 2024

ix Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount 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 reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Defined Benefit Obligation (Base)	98.16	91.73

₹ in Lakhs

Particulars	For the year ended March 31, 2024	VALUES	For the year ended March 31, 2023	VALUES
Discount Rate (- / + 1%)				
- Decrease by 1%	4.89%	4.80	4.89%	4.49
- Increase by 1%	-4.36%	(4.28)	-4.37%	(4.01)
Salary Growth Rate (- / + 1%)				
- Decrease by 1%	-2.81%	(2.76)	-3.14%	(2.88)
- Increase by 1%	3.33%	3.27	2.92%	2.68
Attrition Rate (- / + 50% of attrition rates)				
- Decrease by 1%	1.91%	1.87	2.05%	1.88
- Increase by 1%	-4.57%	(4.49)	-4.72%	(4.33)
Mortality Rate (- / + 10% of mortality rates)				
- Decrease by 1%	0.02%	0.01	0.02%	0.01
- Increase by 1%	-0.02%	(0.01)	-0.02%	(0.01)

x Windup Liability / Discontinuance Liability

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	Increase %	For the year ended March 31, 2023	As at March 31, 2022	Increase %
Discontinuance Liability	99.76	93.22	7%	93.22	80.92	15%
Present Value of Obligation	98.16	91.73	7%	91.73	78.65	17%
Ratio (Present Value of Obligation / Discontinuance Liability)	98%	98%	1%	98%	97%	1%

Windup Liability / Discontinuance Liability means the amount that would be payable to the employees if all the obligations were to be settled immediately. It has been calculated ignoring the vesting criteria.

5 Lease:

Effective April 1, 2019, the Group adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method without restatement and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

Company don't have any lease agreements as on 31st, March 2024 and 31st, March 2023 to be accounted as per Ind As 116.

6 Segment Reporting:

Segment Reporting is required by Ind AS 108 - "Operating Segment" is not applicable as the company operates in one single primary business segment i.e. "Trading in Footwears"

7 As per explanation received from management the Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

8 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) amount required to be spent by the company during the period,	2.01	4.45
(ii) amount of expenditure incurred,	2.05	4.50
(iii) shortfall at the end of the Period,	-	-
(iv) total of previous years shortfall,	-	-
(v) reason for shortfall,	N.A.	N.A.
(vi) nature of CSR activities,		
(a) Good health and well being	2.05	1.50
(b) Education	-	3.00
(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,	N.A.	N.A.
(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 period shall be shown separately	N.A.	N.A.

9 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

10 The Company is not subject to any rate regulated activity. There are no regulatory deferral account balance in the company. Ind As 114 is not applicable to the Company.

11 Current periods figures are shown in highlight & bold prints

12 All Figures are in decimal of 2 digit, and in lakhs otherwise specified

13 Financial Statements has been adopted by board of directors as on 10th May, 2024



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Notes forming part of the Financial Statements for the year ended March 31, 2024

NOTES : 25B (25B.1 to 25B.4)

25B Financial Instruments

25B.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.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Equity		
Equity Share Capital	125.00	125.00
Other Equity	5,878.18	5,275.20
Total Equity	6,003.18	5400.20
Total Debt	-	152.25
Debt Equity Ratio (Times)	-	0.03

25B.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 2 hierarchy

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Financial Assets		
Measured at fair value through profit or loss		
- Investments in mutual funds	-	-
Measured at amortised cost		
- Trade receivables	3,515.50	3518.85
- Cash on hand	0.50	0.99
- Other Bank balances	1,149.40	1437.73
- Other Deposits in Financial Institutions	1,221.29	0.00
- Loans	5.28	4.78
- Other financial assets	1.61	2.61
Measured at fair value through Other Comprehensive Income		
- Investments in Bonds	-	-
Financial Liabilities		
Measured at amortised cost		
- Trade payables	442.53	316.52
- Other financial liabilities	-	152.25



25B.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 in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example
 - interest rates and yield curves observable at commonly quoted intervals
 - implied volatilities
 - credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market – corroborated inputs')

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.



Notes forming part of the Financial Statements for the year ended March 31, 2024

Financial assets measured at fair value

Financial assets	Fair value For the year ended March 31, 2024	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity	Fair value For the year ended March 31, 2023	Fair value hierarc hy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Investments in Mutual funds:	-	NA	Net assets value (NAV) declared by the respective asset management companies	NA	NA	-	NA	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in bonds	-	NA	Net assets value (NAV) declared by the respective asset management companies	NA	NA	-	NA	Net assets value (NAV) declared by the respective asset management companies	NA	NA

Fair value of financial assets and liabilities that are not measured at fair value.

The Company considers that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

25B.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 counter party 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 sells goods on credit basis to institutional parties. The average credit period for institutional parties is 90 to 120 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.

The Company's experience of delinquencies and customer disputes have been minimal.

List of Trade receivables whose outstanding to the Total Trade receivables is exceeding 10% -

Customer Name	For the year ended March 31, 2024	For the year ended March 31, 2023
Shoppers Stop Ltd.	92.66%	88.58%

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 & reputed financial institutions 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 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.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 5 years	Carrying amounts
As at March 31, 2024			
Non-derivative financial liabilities			
Borrowings (Short term & Long Term)	-	-	-
Non interest bearing:	-	-	-
Trade Payables	442.53	-	442.53
Others	-	-	-
For the year ended March 31, 2023			
Non-derivative financial liabilities			
Borrowings (Short term & Long Term)	152.25	-	152.25
Non interest bearing:	-	-	-
Trade Payables	316.52	-	316.52
Others	-	-	-

The company has access to following financing facilities which were undrawn as at the end of the reporting periods mentioned.

Undrawn financing facilities	For the year ended March 31, 2024	For the year ended March 31, 2023
Funded Secured working capital facilities		
Amount Used	-	-
Amount Unused	1,000.00	1,000.00
Total	1,000.00	1,000.00
Unfunded Secured working capital facilities		
Amount used	-	152.25
Amount unused	1,000.00	847.75
Total	1,000.00	1,000.00

During F.Y. 2021-22 company has availed financing facilities limit of 1000 lakhs for both funded and Non-funded combined.



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**Notes forming part of the Financial Statements for the year ended March 31, 2024****Cj 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. We are dealing only through institutional customers which are directly connected with the retail customers, hence any impact on retail customers spends indirectly affects the sales volume. 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 institutional customers. This helps company protect itself from significant product margin losses.

2) Interest risk

The Company is exposed to interest rate risk primarily due to borrowings having's floating interest rates. The company uses available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that the company has an effective mix of fixed and variable rate borrowings. The company 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 company's profit before tax as illustrated below

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Secured Working capital limit	1.81	7.14
Interest Rate	9.55%	9.55%
Interest Rate Buyers credit	5.69%	5.69%
Interest amount per 50 basis point fluctuation	0.16	0.63

3) Currency risk

The Company's significant transactions are in Indian rupees and therefore there is minimal foreign currency risk.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs in lacs, is as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Buyer's Credit	-	152.25
Trade Payables	-	8.40

4) Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
USD sensitivity		
₹/USD -Increase by 1% #	-	(1.61)
₹/USD -Decrease by 1% #	-	1.61

Holding all other variables constant

