Independent Auditor's Report

To the Members of Metro Brands Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Metro Brands Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, 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 standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Revenue recognition (as described in note 1.B(D) of the standalone financial statements)	
Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. In some cases, discounts are offered on further sale of goods by the customers. Hence, provision for such discounts is estimated and accrued. We have determined this to be a key audit matter as a significant part of Company's revenue relates to sales through a number of Company owned outlets. These transactions are of high volume with individually small values which increases the risk of revenue being recognized inaccurately. It is thus essential to ensure whether the transfer of control of goods by the Company to the customer has occurred. Further, the Company makes assumptions and judgements for recording discount accrual. Also, there is a risk that revenue may be overstated due to pressure from the management and Board of Directors who may strive to achieve performance targets.	Our audit procedures included the following: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards. • Evaluated the design and tested the operating effectiveness of internal financial controls with respect to the revenue. • For selected samples, performed testing of retail sale transactions during the year by examining the underlying documents to determine the point in time at which the transfer of control of goods occur and agreeing them with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits. • Tested the estimate of discounts accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. • Performed cash counts, on a sample basis, at selected stores and tested whether the cash balances are in agreement with cash receipts report. • 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. • Assessed that the disclosures in the financial statements is in accordance with the accounting standards.
Impairment of Goodwill and Intangible Assets of FILA business (as described in note 48 of the standalone financial statements)	
As disclosed in note 48 of standalone financial statements, the Company has goodwill amounting to ₹ 40.37 crores and intangible assets amounting to ₹ 99.38 crores as at March 31, 2026 which represents goodwill of FILA business and intangible assets acquired through demerger of FILA business of Metro Athleisure Limited (formerly known as Cravatex Brands Limited), a wholly-owned subsidiary of the Company into the Holding Company. A cash generating unit ("CGU") to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. As disclosed in note 48, impairment of goodwill and intangible assets is determined by assessing the recoverable amount of CGU to which these assets relate. We have identified the annual impairment assessment as key audit matter because of the amounts involved, complexity in assessment, judgmental by nature and further, is based on projected future cash inflows and assumptions such as expected growth rate, discount rate and terminal growth rate.	Our audit procedures included the following: • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation model used in assessment of impairment in the value of goodwill and intangible assets. • Obtained an understanding of the process followed by the management in determining the CGU to which goodwill is allocated and determination of recoverable amounts of CGU. • Compared projections shared by the management in previous year with the actuals for the year ended March 31, 2026. • Tested the arithmetical accuracy of the computation of recoverable amounts of each CGU. • Assessed the disclosures provided by the Company in relation to its annual impairment test in note 48 to standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

    (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 (also refer to paragraph (h)(vi) below);

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

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) In our opinion, the managerial remuneration for the year ended March 31,2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 25 to the standalone financial statements;

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

        iii. There has been no delay in transferring amounts, 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 note 41(A) to the standalone 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(B) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

        c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

        v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

        The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

        As stated in note 11(II) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years (refer note 51 to the financial statements).

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360NRPHJV5910

Place of Signature: Mumbai
Date: May 20, 2026

"Annexure 1" referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Metro Brands 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 intangibles assets.

(i) (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in are opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management (except for inventories lying with third parties). In our opinion, the coverage and procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2026. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

(b) As disclosed in note 44 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the Company is not required to file quarterly returns/statements with such banks.

(iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act") are applicable have been complied with by the Company.

(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) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in cases of employees' state insurance. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in crores)*	Period to which the amount relates	Forum where the dispute is pending
Chapter V, Finance Act,	Service Tax	0.11	Sept'2008 - Mar'2011	The Supreme Court of India
Central Sales Tax Act, 1956 and Sales Tax/ Value Added Tax Act of various states	Sales Tax	0.46	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
		0.02	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
Goods and Services Tax Act, 2017	GST	0.45	F.Y. 2017-2018	Assistant Commissioner of State Tax- Bihar
		0.53	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit: Corporate Division: West Bengal
		0.14	F.Y. 2018-2019	Commissioner of Appeal, Central Sales Tax, Cochin
		0.39	F.Y. 2018-2019	Dy Commissioner, Central GST-DIV-VI, Ahmedabad South
		0.38	F.Y. 2018-2019	Assistant Commissioner Large Tax Payer Unit, West Bengal
		0.07	F.Y. 2019-2020	Assistant Commissioner Large Tax Payer Unit, West Bengal
		0.50	F.Y. 2018-2019	Deputy Commissioner, Rajasthan

** net of deposit paid under protest*

(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 did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause (ix)(a) of the Order is not applicable to the Company.

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(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.

(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) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) 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 requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 36 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 32 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 32 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360NRPHJV5910

Place of Signature: Mumbai
Date: May 20, 2026

"Annexure 2" to the Independent Auditor's Report of even date on the standalone financial statements of Metro Brands Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Metro Brands Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, 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 issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360NRPHJV5910

Place of Signature: Mumbai
Date: May 20, 2026

Standalone Balance Sheet

as at March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

Particulars				Note No.	As at March 31, 2026	As at March 31, 2025
A	ASSETS					
	1	Non-current assets				
		(a)	Property, plant and equipment	2a	445.67	369.71
		(b)	Capital work-in-progress	2d	13.63	8.50
		(c)	Goodwill	48	40.37	40.37
		(d)	Intangible assets	2c	114.36	119.40
		(e)	Intangible assets under development	2e	4.59	0.88
		(f)	Right-of-use assets	2b	1,379.42	1,067.66
		(g)	Financial assets			
			(i) Investments	3	28.32	28.32
			(ii) Other Bank Balances	9c	0.11	0.03
			(iii) Other financial assets	5	112.37	92.92
		(h)	Deferred tax assets (Net)	24a	42.80	34.51
		(i)	Non-current tax assets (Net)	24b	0.12	4.37
		(j)	Other non-current assets	6	8.75	2.72
		Total non - current assets			**2,190.51**	**1,769.39**
	2	Current assets				
		(a)	Inventories	7	844.13	629.44
		(b)	Financial assets			
			(i) Investments	3	646.95	523.86
			(ii) Trade receivables	8	49.83	47.97
			(iii) Cash and cash equivalents	9a	32.27	92.54
			(iv) Bank Balances other than (iii) above	9b	0.06	0.14
			(v) Loans	4	0.91	1.37
			(vi) Other financial assets	5	93.46	178.82
		(c)	Other current assets	6	77.73	26.98
		Total current assets			**1,745.34**	**1,501.12**
		Total assets (1+2)			**3,935.85**	**3,270.51**
B	EQUITY AND LIABILITIES					
	1	Equity				
		(a)	Equity share capital	10	136.27	136.12
		(b)	Other equity	11	1,816.62	1,543.37
		Total equity			**1,952.89**	**1,679.49**
	2	Non-current liabilities				
		(a)	Financial Liabilities			
			(i) Lease liabilities	29	1,354.67	1,054.48
		Total non - current liabilities			**1,354.67**	**1,054.48**
	3	Current liabilities				
		(a)	Financial liabilities			
			(i) Lease liabilities	29	215.54	172.60
			(ii) Trade payables			
			Total outstanding dues of micro enterprises and small enterprises	14	55.35	52.46
			Total outstanding dues of creditors other than micro enterprises and small enterprises	14	220.18	170.29
			(iii) Other financial liabilities	12	66.92	36.00
		(b)	Other current liabilities	15	50.13	95.29
		(c)	Provisions	13	15.68	9.90
		(d)	Current tax liabilities (Net)	24c	4.49	-
		Total current liabilities			**628.29**	**536.54**
		Total equity and liabilities (1+2+3)			**3,935.85**	**3,270.51**

See accompanying notes from 1 to 53 which form an integral part of the financial statements.
In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

Particulars		Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I	**Income**			
	Revenue from operations	16	2,797.16	2,449.61
	Other income	17	100.20	95.33
	Total Income (I)		**2,897.36**	**2,544.94**
II	**Expenses**			
	(a) Purchases of stock-in-trade	18a	1,385.41	962.10
	(b) Changes in inventories of stock-in-trade	18b	(214.69)	68.75
	(c) Employee benefits expense	20	266.41	233.39
	(d) Finance costs	21	110.90	90.37
	(e) Depreciation and amortisation expenses	19	310.34	257.10
	(f) Other expenses	22	505.93	436.91
	Total Expenses (II)		**2,364.30**	**2,048.62**
III	**Profit before tax (I-II)**		**533.06**	**496.32**
IV	**Tax expense**			
	(a) Current tax	23a	141.28	137.47
	(b) Deferred tax (credit)	23a	(8.30)	(15.76)
	(c) Tax in respect of prior year (Refer note 49)			
	Current tax	23a	(0.41)	6.81
	Deferred tax	23a	-	18.21
	Total tax expense		**132.57**	**146.73**
V	**Profit after tax for the year (III-IV)**		**400.49**	**349.59**
VI	**Other comprehensive loss**		(0.34)	(0.27)
	(a) Items that will not be reclassified to profit or loss			
	- Gain/(Loss) on remeasurements of the defined benefit plans		(0.16)	0.01
	- Income tax relating to items that will not be reclassified to profit or loss		0.04	(0.00
	(b) Items that will be reclassified to profit or loss			
	- Loss arising on fair valuation of quoted investments in bonds		(0.22)	(0.28)
	- Income tax relating to items that will be reclassified to profit or loss		-	-
VII	**Total comprehensive income for the year (Net of tax) (V+VI)**		**400.15**	**349.32**
	Earnings per equity share (face value of ₹ 5 each)			
	Basic (₹)	30	14.70	12.85
	Diluted (₹)	30	14.67	12.81

See accompanying notes from 1 to 53 which form an integral part of the financial statements.
In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Standalone Statement of Cash Flow

for the year ended March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities		
Profit before tax for the year	533.06	496.32
Adjustments for:		
Depreciation and Amortisation expenses	310.34	257.10
Interest Expense	110.90	90.37
Impairment provision on investments	-	1.33
Gain on termination of lease	(10.08)	(2.93)
Loss on Sale / Discard of Property Plant & Equipment (net)	5.52	1.55
Dividend income from Current Investments in Mutual Funds	(1.21)	(5.64)
Net gain on sale of Investments	(7.36)	(17.76)
Net fair value gain arising on current Investments designated at FVTPL	(21.78)	(2.84)
Interest Income	(48.60)	(60.63)
Liabilities no longer required, written back	(6.66)	(2.27)
Employee's Stock Options Expenses	10.80	11.33
Operating profit before working capital changes	**874.93**	**765.93**
Movement in working capital:		
(Increase) / Decrease in Trade Receivable	(1.85)	(10.48)
(Increase) / Decrease in other financial assets	(28.05)	(19.43)
(Increase) / Decrease in other current assets	(50.75)	10.75
(Increase) / Decrease in Inventories	(214.69)	68.75
(Increase) / Decrease in other non-current assets	(1.73)	(0.79)
Increase / (Decrease) in trade and other payables	55.23	(32.90)
Increase / (Decrease) in other current liabilities	(45.16)	41.64
Increase / (Decrease) in other non current liabilities	-	(0.32)
Increase / (Decrease) in other financial liabilities	9.23	(4.66)
Increase / (Decrease) in Provisions	5.62	1.88
	(272.15)	**54.44**
Cash generated from operations	**602.78**	**820.37**
Less: Income taxes paid	(127.24)	(133.60)
Net cash generated from operating activities *	**475.54**	**686.77**
Cash flows from investment activities		
Capital Expenditure on Property, Plant & Equipment and intangible assets including capital advances and capital creditors	(138.84)	(87.26)
Proceeds from Sale / Discard of Property Plant & Equipment	0.69	0.53
Loan Repaid	0.46	8.62
Interest Received	50.85	47.78
Investments in Fixed Deposits	(75.00)	(120.00)

Standalone Statement of Cash Flow

for the year ended March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Redemption of Fixed Deposits	155.00	42.32
Purchase of Current Investments	(2,295.60)	(2,133.96)
Redemption of Current Investments	2,201.45	2,365.61
Dividend Income from Mutual Funds	1.21	5.64
Net cash from/(used in) investment activities	**(99.78)**	**129.28**
Cash flows from financing activities		
Proceeds from issue of shares	7.19	8.10
Proceeds from Share application money pending allotment	0.23	0.21
Payment of lease liabilities	(292.86)	(238.84)
Interest paid	(0.78)	(0.38)
Final and Interim Dividends paid	(149.81)	(537.55)
Net cash used in financing activities	**(436.03)**	**(768.46)**
Net increase/(decrease) in cash and cash equivalents	**(60.27)**	**47.59**
Cash and cash equivalents at the beginning of the year	92.54	44.95
Cash and cash equivalents at the end of the year [Refer Note 9a]	32.27	92.54

Notes :

1. The Cash Flow Statement has been prepared using the indirect method set out in Ind AS 7 - Statement of Cash Flows.
2. There are no changes in liabilities arising from financing activities. For movement of lease liabilities, refer note 29

** Includes amount spent in cash towards Corporate Social Responsibility ₹ 8.86 crores (Previous Year ₹ 8.50 crores)*

See accompanying notes from 1 to 53 which form an integral part of the financial statements.
In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

A. Equity share capital (refer note 10)

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	**27,22,49,646**	**136.12**	**27,19,14,102**	**135.96**
Changes in equity Share Capital during the year				
Shares Alloted on exercise of ESOP's	2,97,092	0.15	3,35,544	0.16
Balance at the end of the year	**27,25,46,738**	**136.27**	**27,22,49,646**	**136.12**

B. Other Equity (refer note 11)

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Balance as at April 01, 2025	**316.74**	**0.03**	**25.56**	**1,201.36**	**0.21**	**(0.52)**	**1,543.37**
Profit for the year	-	-	-	400.49	-	-	400.49
Other comprehensive income (net of income tax)	-	-	-	(0.12)	-	(0.22)	(0.34)
Total comprehensive income for the year	**-**	**-**	**-**	**400.37**	**-**	**(0.22)**	**400.15**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.95	-	(6.95)	-	-	-	-
Received from Employees on exercise of options	7.25	-	-	-	-	-	7.25
Employee stock option plan recognized	-	-	10.80	-	-	-	10.80
Payment of Final Dividend	-	-	-	(68.07)	-	-	(68.07)
Payment of Interim Dividend	-	-	-	(81.74)	-	-	(81.74)
Shares allotted	-	-	-	-	(0.21)	-	(0.21)
Share application money pending allotment	-	-	-	-	0.22	-	0.22
Income Tax benefit arising on exercise of stock options	-	-	-	4.85	-	-	4.85
Balance as at March 31, 2026	**330.94**	**0.03**	**29.41**	**1,456.77**	**0.22**	**(0.74)**	**1,816.62**

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

B. Other Equity (refer note 11) (Contd.)

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Balance as at April 01, 2024	**302.42**	**0.03**	**20.70**	**1,376.09**	**0.15**	**(0.24)**	**1,699.15**
Profit for the year	-	-	-	349.59	-	-	349.59
Other comprehensive income (net of income tax)	-	-	-	0.01	-	(0.28)	(0.27)
Total comprehensive income for the year	**-**	**-**	**-**	**349.60**	**-**	**(0.28)**	**349.32**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.47	-	(6.47)	-	-	-	-
Received from Employees on exercise of options	7.85	-	-	-	-	-	7.85
Employee stock option plan recognized	-	-	11.33	-	-	-	11.33
Payment of Final Dividend	-	-	-	(61.19)	-	-	(61.19)
Payment of Interim Dividend	-	-	-	(476.36)	-	-	(476.36)
Shares allotted	-	-	-	-	(0.15)	-	(0.15)
Share application money pending allotment	-	-	-	-	0.21	-	0.21
Income Tax benefit arising on exercise of stock options	-	-	-	13.21	-	-	13.21
Balance as at March 31, 2025	**316.74**	**0.03**	**25.56**	**1,201.36**	**0.21**	**(0.52)**	**1,543.37**

Note : There are no prior period errors during the current and previous year.

See accompanying notes from 1 to 53 which form an integral part of the financial statements.

In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Note 1.A - CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The Company is a retailer in fashion footwear, bags and accessories operating in the premium and economy category. The Company commenced business in the year 1986 with few showrooms and currently has showrooms in the major cities of India.

The address of the Company's registered office and principal place of business is given below.

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

The standalone financial statements for the year ended March 31, 2026, were approved for issue by the Board of Directors on May 20, 2026.

Note 1.B - MATERIAL ACCOUNTING POLICIES

Basis of Preparation and Presentation of Standalone Financial Statements

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act (as amended from time to time) (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements of the Company have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services. The standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded to the nearest crores except when otherwise indicated. Figures less than rupees 50,000 are represented as "0.00".

A) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

B) Fair valuation

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 considers the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

C) Going Concern

The standalone financial statements of the Company have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

to an existing accounting standard requires change in accounting policy hitherto in use.

D) Revenue Recognition

i) Sale of Goods & services:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Payment of the transaction price is due immediately when the customer purchases the goods and takes delivery in store.

Sale of gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for purchase of products and products sold is qualified for revenue recognition.

The Company operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Company's retail stores. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer to acquire goods or services in the future.

The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their relative stand-alone selling price. The Company recognises the consideration allocated to loyalty points, when the loyalty points are redeemed. When estimating the stand-alone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the liability balance are charged against revenue.

ii) Sales through E-commerce channels:

The Company through marketplace and its own website sells its products to customers. Revenue from sale of goods through the website is recognised when control of the products has transferred, being when the products are delivered to the customer. For e-commerce sales, it is the Company's policy to sell its products to the end customer with a right of return within 15 to 60 days. The Company uses the expected value method to estimate the sales return. Based on historical return data of each product, expected return percentage is determined. These percentages are applied to derive the sales return.

iii) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis considering the amount outstanding and the effective interest rate applicable.

E) Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment:

Property, plant, and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties, and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use 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 qualifies the recognition criteria.

Property, plant, and equipment retired from active use and held for sale are stated at the lower of their carrying amount and fair value less cost to sell and are disclosed separately. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

On transition to Ind AS the Company had elected to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition. This exemption has been used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets.

Asset wise useful lives of assets are as follows.

- Buildings – 60 years
- Furniture and fittings – 10 years
- Machinery and equipment - 10 years
- Motor Vehicles – 8 years
- Computers – 3 years

These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset: Leasehold improvements are amortised on straight line basis over the lease term or useful life (Not exceeding 10 years) whichever is lower.

Intangible Assets:

Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

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

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years
- Licences- 20 Years
- Non-Compete Fees- 5 Years

Capital Work in Progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost and attributable interest.

Intangible Assets Under Development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use. The expenditure incurred only in the development stage of intangible assets is capitalised.

F) Impairment Of Non-Financial 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 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.

Goodwill arising on Business Combination is carried at cost less any accumulated impairment losses. Goodwill is annually tested for impairment. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed.

For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

A cash-generating unit is the smallest identifiable group of assets that generate cash inflows that are largely independent of cash inflows from other assets or group of assets. Identification of an asset's cash-generating unit involves judgement. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. The FILA brand and each store is treated as a separate Cash Generating Unit (CGU) for impairment assessment purposes, as it represents a distinct group of assets that generates largely independent cash inflows and is monitored by management for performance evaluation.

On disposal of the CGU or group of CGUs, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss.

Recoverable amount is higher of fair value less cost of disposal and value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. 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

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

been adjusted. The management uses detailed budgets and forecast calculations in assessing the value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit or Loss.

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

G) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax authorities), freight inward and other related incidental expenses incurred in bringing the inventory to its present condition and location.

H) Taxation

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax:

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with The Income Tax Act, 1961.

Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base 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, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other

Notes Forming Part of the Standalone Financial Statements

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comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

I) Employee Benefits

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

Short-Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the 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.

Long-Term Employee Benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liability recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash flows expected to be made by the Company in respect of services provided by employees up to the reporting date.

i) Defined Contribution Plan:

The Provident Fund is a defined contribution scheme. The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined Benefit Plan:

The Company has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated by independent actuary using the projected unit credit method at each reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments and the return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined Benefit Costs are split into:

- Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or income.
- Remeasurements.

The Company recognises service costs within profit and loss as employee benefit expense. Net interest expense or income is recognised within finance cost.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

J) Foreign Currencies

i) Initial Recognition

Transactions in foreign currencies are initially recorded by the Company at its respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

ii) Conversion

Foreign currency monetary items are translated using the closing exchange rate as on Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

K) Employees Stock Option Plan (ESOP)

In respect of Employee Stock Options, the Company measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Company's estimate of equity instruments that will eventually vest.

L) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision For Warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent Liabilities are disclosed when there is:

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or reliable estimate of the amount cannot be made.

M) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI).

When the financial asset (other than debt instruments) is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. For debt instruments measured at FVOCI, upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from equity to profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

(ii) Equity Instrument

All equity investments other than in Investment in Subsidiaries and Joint venture are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

(iii) Impairment of Financial Assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments at FVOCI. For trade receivables, loans and advances given, the Company measure the loss allowance at an amount equal to lifetime expected credit losses. This expected credit loss allowance is computed based on historical credit loss experience and adjusted for forward looking information. The computation also takes into consideration whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets:

A financial asset is derecognised only when:

- the Company has transferred the contractual rights to receive cash flows of the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables including bank overdrafts.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

(iii) Derecognition Of Financial Liabilities

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

N) Equity vs. financial liability classification

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The Company classifies a financial instrument issued by it as equity instrument only if below conditions are met:

- The instrument includes no contractual obligation to deliver cash or another financial asset to another entity. Nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.
- If the instrument will, or may, be settled in the Company's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liability and accounted for using the accounting policy applicable to the Financial Liabilities.

O) Investment in Subsidiary and Joint Venture

The Company has elected to account for its equity investments in subsidiaries and joint venture under Ind AS 27 on Separate Financial Statements, at cost. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

The Company's investments in its subsidiaries and joint venture are accounted at cost less impairment.

P) Leases

The Company's lease asset class primarily consists of leases for showroom premises and warehouse. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i) the contract involves the use of an identified asset

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Q) Dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

R) 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.

S) Statement Of Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information.

For the purpose of standalone statement of cash flow, cash and cash equivalents consists of cash and short-term deposits.

T) 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.

U) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM') since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Company is presented.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

V) Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

NOTE 1.C – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparing the standalone financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving significant estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

Estimation of revenue arising from loyalty points

Customers are entitled to loyalty points which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed.

Loyalty points having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such loyalty points is allocated between the goods supplied and the loyalty points granted. The consideration allocated to the loyalty points is measured by reference to fair value from the standpoint of the holder and revenue is deferred. The Company at the end of each reporting period estimates the number of points redeemed and that it expects will be further redeemed, based on empirical data of redemption / lapses, and revenue is accordingly recognised.

Provision for discount and sales return

The Company provides for discount and sales return based on channel wise trend of previous years. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario and based on the management's assessment of market conditions.

Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item and losses associated with obsolete / slow-moving inventory items.

Leases- Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using market interest rates and is required to make certain entity-specific estimates pertaining to its credit rating.

Determining the lease term of the contracts with renewal and termination options- Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the

Notes Forming Part of the Standalone Financial Statements

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option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the right-of-use asset).

Useful lives of property, plant and equipment and intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in profit or loss.

Impairment of Right to use assets and Property, Plant and Equipment

The Company is carrying out the assessment of impairment on annual basis for Right to Use of Assets (ROU) and Property, Plant and Equipment (PPE). To assess the same, the Company has defined each store as a separate Cash Generating Unit (CGU). The store shall be tested for impairment whenever there is an indication that the store may be impaired by comparing the store's carrying amount with its recoverable amount.

The Company has computed "Value in Use" based on expected future cashflow over the balance lease term considering store wise budgets and other internal and external factors like growth etc. for CGU where there are indicators of impairment.

Impairment of investment

For determining whether the investments in subsidiaries and joint venture are impaired requires an estimate in the value in use of investments. In considering the value in use, the Company have estimated the future cash flow, operating margins and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived basis management projections for balance life of the CGU. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for budgets. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use are disclosed in Note 48.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33.4 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Fair value measurements and valuation process

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Estimation of Defined Benefit Obligation

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate for plans operated in

Notes Forming Part of the Standalone Financial Statements

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India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Share based payment

The Company has a share option scheme for certain employees of the Company. In accordance with the terms of the share option scheme, as approved by shareholders at the general meeting. Employees with a pre-defined grade may be granted options to purchase equity shares. Each share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disability and death of grantee's the legal heir must exercise the shares within six months from the date of such event. d)Three months from the date of retirement. The share options vests based on a pre-determined vesting schedule from the date of grant.

2a. Property, Plant and Equipment:

₹ in Crores

Particulars	Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at March 31, 2024	**123.39**	**230.11**	**99.08**	**55.64**	**7.73**	**16.38**	**532.33**
Additions	7.86	34.17	24.03	9.36	-	1.98	77.40
Disposals	(0.51)	(12.32)	(2.72)	(3.10)	(0.59)	(1.21)	(20.45)
Balance as at March 31, 2025	**130.74**	**251.96**	**120.39**	**61.90**	**7.14**	**17.15**	**589.28**
Additions	1.02	57.73	46.38	27.81	1.35	7.96	142.25
Disposals	-	(15.24)	(6.08)	(2.96)	-	(1.91)	(26.19)
Balance as at March 31, 2026	**131.76**	**294.45**	**160.69**	**86.75**	**8.49**	**23.20**	**705.34**
II. Accumulated depreciation							
Balance as at March 31, 2024	**17.68**	**98.06**	**32.26**	**22.47**	**2.93**	**11.09**	**184.49**
Depreciation expense for the year	3.24	28.60	11.59	6.02	0.85	2.70	53.00
Eliminated on disposal of assets	(0.44)	(11.40)	(2.09)	(2.40)	(0.56)	(1.03)	(17.92)
Balance as at March 31, 2025	**20.48**	**115.26**	**41.76**	**26.09**	**3.22**	**12.76**	**219.57**
Depreciation expense for the year	3.30	32.13	13.94	6.95	0.90	2.88	60.10
Eliminated on disposal of assets	-	(10.88)	(5.07)	(2.24)	-	(1.81)	(20.00)
Balance as at March 31, 2026	**23.78**	**136.51**	**50.63**	**30.80**	**4.12**	**13.83**	**259.67**
Net carrying amount (I-II)							
Balance as at March 31, 2026	**107.98**	**157.94**	**110.06**	**55.95**	**4.37**	**9.37**	**445.67**
Balance as at March 31, 2025	**110.26**	**136.70**	**78.63**	**35.81**	**3.92**	**4.39**	**369.71**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

2b. Right-of-use assets (Showrooms and Warehouse)

₹ in Crores

Particulars	Total
I. Cost	
Balance as at March 31, 2024	**1,418.39**
Additions	311.81
Disposals	(43.60)
Balance as at March 31, 2025	**1,686.60**
Additions	587.89
Disposals	(75.65)
Balance as at March 31, 2026	**2,198.84**
II. Accumulated Depreciation	
Balance as at March 31, 2024	**448.05**
Depreciation expense for the year	196.06
Eliminated on disposal of assets	(25.17)
Balance as at March 31, 2025	**618.94**
Depreciation expense for the year	240.06
Eliminated on disposal of assets	(39.58)
Balance as at March 31, 2026	**819.42**
Net carrying amount (I-II)	
Balance as at March 31, 2026	**1,379.42**
Balance as at March 31, 2025	**1,067.66**

2c. Intangible Assets (Represents other than Internally generated intangible assets) :

₹ in Crores

Particulars	Copyrights	Trademarks	Computer Software	Licenses	Non-Compete	Total
I. Cost						
Balance as at March 31, 2024	**0.43**	**2.31**	**13.76**	**118.07**	**2.31**	**136.88**
Additions	0.46	0.11	9.71	-	-	10.28
Balance as at March 31, 2025	**0.89**	**2.42**	**23.47**	**118.07**	**2.31**	**147.16**
Additions	-	-	5.14	-	-	5.14
Balance as at March 31, 2026	**0.89**	**2.42**	**28.61**	**118.07**	**2.31**	**152.30**
II. Accumulated amortization						
Balance as at March 31, 2024	**0.26**	**1.89**	**9.14**	**7.90**	**0.53**	**19.72**
Amortization expense for the year	0.04	0.11	1.50	5.90	0.49	8.04
Balance as at March 31, 2025	**0.30**	**2.00**	**10.64**	**13.80**	**1.02**	**27.76**
Amortization expense for the year	0.06	0.11	3.62	5.90	0.49	10.18
Balance as at March 31, 2026	**0.36**	**2.11**	**14.26**	**19.70**	**1.51**	**37.94**
Net carrying amount (I-II)						
Balance as at March 31, 2026	**0.53**	**0.31**	**14.35**	**98.37**	**0.80**	**114.36**
Balance as at March 31, 2025	**0.59**	**0.42**	**12.83**	**104.27**	**1.29**	**119.40**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

2d. Capital work-in-progress (CWIP) :

₹ in Crores

As at March 31, 2026	**13.63**
As at March 31, 2025	**8.50**

Movement of Capital Work in Progress (CWIP) :

₹ in Crores

Particulars	Total
Balance as at March 31, 2024	**7.29**
Additions during the year	78.61
Less: Capitalizations	(77.40)
Balance as at March 31, 2025	**8.50**
Additions during the year	147.38
Less: Capitalizations	(142.25)
Balance as at March 31, 2026	**13.63**

Capital work-in-progress Ageing Schedule

As at March 31, 2026

₹ in Crores

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11.59	2.04	-	-	13.63
Projects temporarily suspended	-	-	-	-	-
Total	**11.59**	**2.04**	**-**	**-**	**13.63**

As at March 31, 2025

₹ in Crores

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.38	0.12	-	-	8.50
Projects temporarily suspended	-	-	-	-	-
Total	**8.38**	**0.12**	**-**	**-**	**8.50**

Note : As on March 31, 2026 and March 31, 2025, the Company does not have any Capital work-in-progress overdue for completion or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

Note : For all periods, Capital Work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipments, design fee, transportation cost etc.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

2e. Intangible assets under development

₹ in Crores

As at March 31, 2026	**4.59**
As at March 31, 2025	**0.88**

Movement of Intangible assets under development

₹ in Crores

Particulars	Total
Balance as at March 31, 2024	**2.01**
Additions during the year	9.16
Less: Capitalizations	(10.28)
Balance as at March 31, 2025	**0.88**
Additions during the year	8.85
Less: Capitalizations	(5.14)
Balance as at March 31, 2026	**4.59**

Intangible assets under development ageing schedule

As at March 31, 2026

₹ in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.30	0.01	0.28	-	4.59
Projects temporarily suspended	-	-	-	-	-
Total	**4.30**	**0.01**	**0.28**	**-**	**4.59**

As at March 31, 2025

₹ in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.52	0.36	-	-	0.88
Projects temporarily suspended	-	-	-	-	-
Total	**0.52**	**0.36**	**-**	**-**	**0.88**

Note : As on March 31, 2026 and March 31, 2025 the Company does not have any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

Note : Intangible assets under development comprises of computer softwares under development.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

3. Investments

₹ in Crores

	Particulars	As at March 31, 2026			As at March 31, 2025		
		Quantity	Amount		Quantity	Amount	
			Current	Non-Current		Current	Non-Current
A.	**Investments carried at cost**						
	Unquoted Investments						
	In equity instrument of Subsidiary						
	Equity shares of ₹ 10/- each in Metmill Footwear Private Limited	6,37,500	-	0.13	6,37,500	-	0.13
	In equity instrument of Subsidiary						
	Equity shares of ₹ 10/- each in Metro Athleisure Limited	58,82,783	-	0.45	58,82,783	-	0.45
	Investment in Compulsorily Convertible Preference Shares (CCPS) of Subsidiary						
	Metro Athleisure Limited	57,00,000	-	1.96	57,00,000	-	1.96
	In Equity instrument of Joint Venture						
	Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	68,60,000	-	4.92	68,60,000	-	4.92
B.	**Investments carried at amortised cost**						
	Unquoted Investments						
	Investments in Commercial Papers						
	Vivriti Capital Limited	-	107.93	-	-	-	-
	IIFL Finance Limited	-	49.33	-	-	-	-
	Adani Enterprises Limited	-	-	-	-	118.33	-
	Piramal Enterprises Limited	-	-	-	-	110.09	-
	Fixed Deposit Certificates						
	Bajaj Finance Ltd	-	-	-	-	39.00	-
C.	**Investments carried at FVOCI**						
	Quoted Investments						
	Investments in Bonds						
	7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50	5.15	-	50	5.23	-
	7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285	1.54	-	14,285	1.56	-
	8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50	5.32	-	50	5.45	-
D.	**Investments carried at FVTPL**						
	Unquoted Investments						
	Investment in Optionally Convertible Debentures (OCD) of Subsidiary						
	Metro Athleisure Limited	18,00,000	-	20.86	18,00,000	-	20.86

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Investment in Compulsorily Convertible Cumulative Redeemable Preference Shares (CCPS)						
Preference shares in Thaely Private Limited	287	-	1.33	287	-	1.33
Less: Provision for impairment			(1.33)			(1.33)
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
Axis Banking and PSU Debt Fund - Direct Growth	25,427	7.15	-	25,427	6.76	-
Kotak Equity Arbitrage Fund- Direct Plan Growth	49,63,647	20.86	-	49,63,647	19.53	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan	10,13,913	45.12	-	-	-	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	13,66,973	79.97	-	56,397	3.08	-
Aditya Birla Sun Life Money Manager Fund- Growth -Direct Plan	-	-	-	3,69,499	13.59	-
Face Value of ₹ 1,000.00 each						
Kotak Money Market Fund -Direct Plan - Growth	41,500	19.69	-	41,500	18.45	-
Invesco India Arbitrage Fund- Direct Plan - Growth	32,14,395	11.65	-	32,14,395	10.90	-
Axis Liquid Fund - Direct Plan - Growth	1,47,466	45.19	-	1,51,046	43.56	-
Axis Overnight Fund - Direct Plan - Growth	2,47,580	35.30	-	2,07,857	28.08	-
Nippon India Arbitrage Fund - Direct Plan	38,43,375	11.56	-	38,43,375	10.84	-
Quoted Investments						
Non Convertible Debentures						
Face Value of ₹ 1,000.00 each						
8.75% Adani Enterprise Limited	5,00,000	50.03	-	-	-	-
Face Value of ₹ 1,00,000.00 each						
8.75% Piramal Finance Limited	2,500	25.02	-	-	-	-
8.45% Adani Airport Holdings Limited	2,500	24.89	-	-	-	-
Investment in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	1,00,000	15.49	-	1,00,000	14.74	-

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Bharat Bond ETF - April 2025 of ₹ 1000 each	-	-	-	99,995	12.88	-
Investment in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	49,94,221	45.10	-	37,53,953	28.57	-
India Grid	24,55,107	40.66	-	23,55,622	33.22	-
Total (Aggregate amount of unquoted investments)		**433.75**	**28.32**		**422.21**	**28.32**
Total (Aggregate amount of quoted investments)		**213.20**	**-**		**101.65**	**-**
Total		**646.95**	**28.32**		**523.86**	**28.32**

Note : Axis Banking & PSU debt fund direct Growth and Aditya Birla Sunlife Savings fund Growth are pledged with Bank against overdraft facility.

4. Loans (Unsecured, considered good) - Current (Measured at Amortised Cost)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to employees	0.51	0.75
Loans to Selling agents, Retail agents, Supervisors and others	0.40	0.62
Total	**0.91**	**1.37**

Note 1 : The Company do not have loans which are credit impaired or where there is significant increase in credit risk.

Note 2 : The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs.

5. Other financial assets

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Considered good - Unsecured	15.40	112.37	127.77	12.76	92.92	105.68
Credit impaired	-	-	-	0.08	-	0.08
	15.40	**112.37**	**127.77**	**12.84**	**92.92**	**105.76**
Less: Allowance for expected credit loss	-	-	-	(0.08)	-	(0.08)
	15.40	**112.37**	**127.77**	**12.76**	**92.92**	**105.68**
Interest accrued on deposits with banks and investments	3.06	-	3.06	11.06	-	11.06
Deposit with banks	75.00	-	75.00	155.00	-	155.00
Total	**93.46**	**112.37**	**205.83**	**178.82**	**92.92**	**271.74**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

The movement in allowance for expected credit loss is as follows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**0.08**	**0.16**
Addition during the year	-	-
Utilisation during the year	(0.08)	(0.08)
Closing Balance	**-**	**0.08**

6. Other assets

₹ in Crores

Particulars		As at March 31, 2026			As at March 31, 2025		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than capital advances						
	Considered good - Unsecured	36.82	-	36.82	11.26	-	11.26
	Credit impaired	-	-	-	0.69	-	0.69
		36.82	**-**	**36.82**	**11.96**	**-**	**11.96**
	Less: Allowance for expected credit losses	-	-	-	(0.69)	-	(0.69)
		36.82	**-**	**36.82**	**11.26**	**-**	**11.26**
(ii)	Capital advances	-	5.22	5.22	-	0.92	0.92
(iii)	Balances with statutory/ government authorities	31.50	2.26	33.76	8.60	-	8.60
(iv)	Prepayments	4.25	0.19	4.44	2.96	0.32	3.28
(v)	Prepaid Rent	0.03	0.55	0.58	0.13	0.96	1.09
(vi)	Others (Receivables from Showroom Managers, Retail Agent etc.)-						
	Considered good - Unsecured	5.13	-	5.13	4.03	-	4.03
	Credit impaired	-	-	-	0.12	-	0.12
		5.13	**-**	**5.13**	**4.14**	**-**	**4.14**
	Less: Allowance for expected credit losses	-	-	-	(0.12)	-	(0.12)
		5.13	**-**	**5.13**	**4.03**	**-**	**4.03**
(vii)	Amounts paid under protest	-	0.53	0.53	-	0.52	0.52
Total		**77.73**	**8.75**	**86.48**	**26.98**	**2.72**	**29.70**

The movement in allowance for expected credit loss is as follows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**0.81**	**0.81**
Addition during the year	-	-
Utilisation during the year	(0.81)	-
Closing Balance	**-**	**0.81**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

7. Inventories (At lower of cost or net realizable value)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Stock-in-trade	844.13	629.44
Total	**844.13**	**629.44**
Included above, goods-in-transit:	19.20	6.52

Note :

During the year ended March 31, 2026, an expense reversal of ₹ 2.76 crores was recognised in respect of inventories measured at net realisable value, as compared to an expense of ₹ 3.48 crores for the year ended March 31, 2025.

8. Trade receivables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Trade receivable considered good - Unsecured	49.83	47.97
(b) Trade receivable - credit impaired	-	10.01
	49.83	**57.98**
Less: Allowance for expected credit losses	-	(10.01)
Total	**49.83**	**47.97**

The movement in allowance for expected credit loss is as follows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**10.01**	**10.01**
Addition during the year	-	-
Utilisation during the year	(10.01)	-
Closing Balance	**-**	**10.01**

Trade Receivables Ageing Schedule

As at March 31, 2026

₹ in Crores

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	27.53	20.91	0.82	0.57	-	-	49.83
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**27.53**	**20.91**	**0.82**	**0.57**	**-**	**-**	**49.83**

As at March 31, 2025

₹ in Crores

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	15.67	29.88	1.96	0.46	-	-	47.97
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	3.69	-	6.32	10.01
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**15.67**	**29.88**	**1.96**	**4.15**	**-**	**6.32**	**57.98**

Notes :

(a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(b) Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

(c) There are no unbilled dues for year.

(d) For explanation on the Company's credit risk management processes refer note 33.4

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

9a. Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	Balances with Banks		
	- In current accounts	28.37	82.04
(b)	Cash on hand	0.57	0.63
(c)	Cash at showrooms	3.33	9.87
Total		**32.27**	**92.54**

9b. Bank Balances other than Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	In earmarked accounts		
	Deposits with Banks held as margin money or security against guarantees and other commitments	0.06	0.14
Total		**0.06**	**0.14**

9c. Other Bank balances - Non Current

₹ in Crores

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	Deposits with Banks held as margin money or security against guarantees and other commitments"	0.11	0.03
Total		**0.11**	**0.03**

10. Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	150.00	300,000,000	150.00
Total		**150.00**		**150.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	272,546,738	136.27	272,249,646	136.12
Total		**136.27**		**136.12**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

10.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ 5/- each) (March 31, 2025 ₹ 5/- each)	272,249,646	136.12	271,914,102	135.96
Shared allotted on exercise of ESOPs	297,092	0.15	335,544	0.16
Balance as at the end of the year	**272,546,738**	**136.27**	**272,249,646**	**136.12**

10.2 Details of shares held by each shareholder holding more than 5% shares:

₹ in Crores

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	155,752,520	57.15%	155,752,520	57.21%
Rekha Jhunjhunwala**	39,333,600	14.43%	39,333,600	14.45%
Rafique A. Malik***	18,576,000	6.82%	18,576,000	6.82%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600	28.05%	76,447,600	28.08%
(b) As Trustee for the benefit of Rafique Malik Family Trust	75,370,920	27.65%	75,370,920	27.68%
**Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206	4.79%	13,051,206	4.79%
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.79%	13,051,206	4.79%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.79%	13,051,188	4.79%
***Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%

10.3 Shareholding of Promoters

As at March 31, 2026

Promoter name	Number of shares at beginning of the year	Change during the year	Number of shares at end of the year	% of total Shares	% change during the year
Farah Malik Bhanji*	155,752,520	-	155,752,520	57.15%	(0.06%)
Alisha Rafique Malik	7,898,000	-	7,898,000	2.90%	(0.00%)
Rafique Abdul Malik**	2,700,000	-	2,700,000	0.99%	0.00%
Total	**166,350,520**	**-**	**166,350,520**	**61.04%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600	-	76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,370,920	-	75,370,920		

As at March 31, 2025

Promoter name	Number of shares at beginning of the year	Change during the year	Number of shares at end of the year	% of total Shares	% change during the year
Farah Malik Bhanji*	156,939,520	(1,187,000)	155,752,520	57.21%	(0.51%)
Alisha Rafique Malik	9,088,000	(1,190,000)	7,898,000	2.90%	(0.44%)
Rafique Abdul Malik**	2,700,000	-	2,700,000	0.99%	0.00%
Total	**168,727,520**	**(2,377,000)**	**166,350,520**	**61.10%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600	-	76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920	3,000	75,370,920		

*** The number of shares held & percentage of holding represents the shares held in the individual capacity. It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not covered under the definition of Promoter.*

Note : Promoter here means promoter as defined in the Companies Act, 2013, as amended.

10.4 Employees Stock Option Scheme

During the year the Company has granted 2,52,282 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended March 31, 2025 : 1,62,817 under ESOP 2008 Scheme). 3,00,751 (Previous year ended March 31, 2025 : 3,35,217) Employee Stock Options have been exercised during the year.

10.5 Rights, preference and restriction attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

11. Other equity

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Balance as at April 01, 2025	**316.74**	**0.03**	**25.56**	**1,201.36**	**0.21**	**(0.52)**	**1,543.37**
Profit for the year	-	-	-	400.49	-	-	400.49
Other comprehensive income (net of income tax)	-	-	-	(0.12)	-	(0.22)	(0.34)
Total comprehensive income for the year	**-**	**-**	**-**	**400.37**	**-**	**(0.22)**	**400.15**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.95	-	(6.95)	-	-	-	-
Received from Employees on exercise of options	7.25	-	-	-	-	-	7.25

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	Reserves and Surplus: Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Share application money pending allotment	Other Comprehensive Income	Total
Employee stock option plan recognized	-	-	10.80	-	-	-	10.80
Payment of Final Dividend	-	-	-	(68.07)	-	-	(68.07)
Payment of Interim Dividend	-	-	-	(81.74)	-	-	(81.74)
Shares Allotted	-	-	-	-	(0.21)	-	(0.21)
Share application money pending allotment	-	-	-	-	0.22	-	0.22
Income Tax benefit arising on exercise of stock options	-	-	-	4.85	-	-	4.85
Balance as at March 31, 2026	**330.94**	**0.03**	**29.41**	**1,456.77**	**0.22**	**(0.74)**	**1,816.62**

₹ in Crores

Particulars	Reserves and Surplus: Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Share application money pending allotment	Other Comprehensive Income	Total
Balance as at April 01, 2024	**302.42**	**0.03**	**20.70**	**1,376.09**	**0.15**	**(0.24)**	**1,699.15**
Profit for the year	-	-	-	349.59	-	-	349.59
Other comprehensive income (net of income tax)	-	-	-	0.01	-	(0.28)	(0.27)
Total comprehensive income for the year	**-**	**-**	**-**	**349.60**	**-**	**(0.28)**	**349.32**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.47	-	(6.47)	-	-	-	-
Received from Employees on exercise of options	7.85	-	-	-	-	-	7.85
Employee stock option plan recognized	-	-	11.33	-	-	-	11.33
Payment of Final Dividend	-	-	-	(61.19)	-	-	(61.19)
Payment of Interim Dividend	-			(476.36)	-		(476.36)
Shares allotted	-	-	-	-	(0.15)	-	(0.15)
Share application money pending allotment	-	-	-	-	0.21	-	0.21
Income Tax benefit arising on exercise of stock options	-	-	-	13.21	-	-	13.21
Balance as at March 31, 2025	**316.74**	**0.03**	**25.56**	**1,201.36**	**0.21**	**(0.52)**	**1,543.37**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Notes :

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securities Premium is created when shares are issued at premium. The Company can use this reserve in accordance with the provisions of the The Companies Act 2013.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Comprehensive Income represents change in the value of investments accounted through FVOCI.

Retained Earning:

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

II. Dividend on Equity Shares

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Final dividend for the year ended March 31, 2025 of ₹ 2.50/- (March 31, 2024 of ₹ 2.25/-) per fully paid up share	68.07	61.19
Interim dividend for the year ended March 31, 2026 of ₹ 3.00/- (March 31, 2025 of ₹ 17.50/-) per fully paid up share	81.74	476.36
Total	**149.81**	**537.55**

The Board of Directors at its meeting held on May 20, 2026 has recommended payment of final dividend of ₹ 3.00 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

12. Other financial liabilities - Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit - Franchisee	0.80	1.20
Retention Money Payable (Selling Agents, Supervisors, City and Regional Managers and Others)	16.50	14.08
Payable on acquisition of Property, plant & equipment	37.05	15.35
Unpaid Dividend (refer note below)	0.07	0.16
Deposit received from Vendors	12.50	5.21
Total	**66.92**	**36.00**

Note : There is no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2026 (Previous year : Nil).

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

13. Provisions - Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for warranty (refer note below)	0.73	1.02
Provision for employee benefits - Gratuity (refer note 26)	6.73	2.81
Provision for employee benefits - Compensated absences (refer note 26)	8.22	6.07
Total	**15.68**	**9.90**

Note :

Provision for warranty represents the undiscounted value of the management's best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Company. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

The movement in warranty provision is as under

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**1.02**	**0.86**
Add: Provision made during the year	-	0.16
Less: Provision utilised/reversed during the year	(0.29)	-
Closing Balance	**0.73**	**1.02**

14. Trade payables - Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 34) ; and	55.35	52.46
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	220.18	170.29
Total	**275.53**	**222.75**

Trade payables Ageing Schedule

As at March 31, 2026

₹ in Crores

Particulars	Outstanding for the following periods from the due date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed - MSME	54.93	0.42	-	-	-	55.35
ii) Undisputed - Others	110.49	79.65	1.05	0.83	0.71	192.73
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-
v) Unbilled dues	27.45	-	-	-	-	27.45
Total	**192.87**	**80.07**	**1.05**	**0.83**	**0.71**	**275.53**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

As at March 31, 2025

₹ in Crores

Particulars	Outstanding for the following periods from the due date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed - MSME	52.46	-	-	-	-	52.46
ii) Undisputed - Others	88.68	54.68	1.04	0.40	0.31	145.11
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-
v) Unbilled dues	25.18	-	-	-	-	25.18
Total	**166.32**	**54.68**	**1.04**	**0.40**	**0.31**	**222.75**

Notes :

a) Trade payables are non-interest bearing and are normally settled on 60-day terms.

b) For terms and conditions with related parties, refer to note 27

c) For explanation on the Company's liquidity risk management processes refer note 33.4

15. Other current liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advances received from customers	2.78	2.93
Deferred Revenue arising from Customer Loyalty program	11.89	10.54
Statutory dues payable	13.87	66.45
Salary Payable	21.59	15.37
Total	**50.13**	**95.29**

16. Revenue from operations

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories (refer note below)	2,796.58	2,449.07
(b) Other operating revenues		
- Shoe Repair Income	0.58	0.54
Total	**2,797.16**	**2,449.61**

Notes :

A) Timing of revenue recognition

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Goods transferred at a point in time	2,797.16	2,449.61
Total	**2,797.16**	**2,449.61**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

B) Reconciliation of revenue recognized in the statement of profit and loss with contracted price

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Products (Traded goods)		
Footwear, Bags & Accessories	3,212.98	2,877.99
Less : GST	416.40	428.92
Sale of Products (Traded goods) (Net of GST)	**2,796.58**	**2,449.07**

17. Other Income

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	**Interest Income:**		
	Income earned on financial assets carried at amortised cost:		
	Interest on bank deposits	8.11	18.66
	Interest on loan given to Subsidiary (refer note 27)	-	0.25
	Interest on other Loans and advances	0.72	0.37
	Interest on Security deposit	5.75	5.06
	Interest on Commercial Papers	24.93	30.49
		39.51	**54.83**
	Income earned on financial assets carried at FVOCI:		
	Interest Income from Tax Free Bonds	0.90	0.68
		0.90	**0.68**
	Income earned on financial assets carried at FVTPL:		
	Interest on Non Convertible Debenture	1.92	-
	Interest Income from Infrastructure Investment Trust (Invits)	6.28	5.12
		8.20	**5.12**
(b)	**Dividend Income:**		
	Dividend income from Current Investments in Invits designated at FVTPL	1.21	1.05
	Dividend income from subsidiary - Metmill Footwear Private Limited (refer note 27)	-	4.59
		1.21	**5.64**
(c)	**Other Non Operating Income:**		
	Net gain/(Loss) on sale of Investments	7.36	17.76
	Net fair value gain arising on current Investments designated at FVTPL	21.78	2.84
	Net gain on foreign currency transactions and translation	0.15	0.99
	Gain on termination of leases	10.08	2.93
	Cash Discounts	3.21	1.23
	Miscellaneous Income	1.14	1.04
	Liabilities no longer required, written back	6.66	2.27
		50.38	**29.06**
Total		**100.20**	**95.33**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

18a. Purchases of Stock-in-Trade

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock-in-Trade (Footwear, Bags & Accessories)	1,324.31	921.60
Packing Materials	61.10	40.50
Total	**1,385.41**	**962.10**

18b. Changes in Inventories of Stock-In-Trade

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year : (including goods in transit)		
Stock-in-trade	844.13	629.44
Inventories at the beginning of the year : (including goods in transit)		
Stock-in-trade	629.44	698.19
Changes in Inventories of Stock-In-Trade	**(214.69)**	**68.75**

19. Depreciation and amortization expense

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Depreciation of Property, Plant and Equipment	60.10	53.00
(b)	Depreciation of Right-of-use assets	240.06	196.06
(c)	Amortization of Intangible assets	10.18	8.04
Total		**310.34**	**257.10**

20. Employee benefits expense

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Salaries and wages	223.99	200.63
(b)	Contribution to provident and other funds (refer note 26)	24.90	16.95
(c)	Staff welfare expenses	6.72	4.48
(d)	Employee's Stock Options Expenses (refer note 31)	10.80	11.33
Total		**266.41**	**233.39**

21. Finance costs

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Interest on lease liabilities (refer note 29)	110.12	89.99
(b)	Interest expense on Income tax	0.00	0.00
(c)	Interest expense on others	0.78	0.38
Total		**110.90**	**90.37**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

22. Other expenses

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	45.40	40.86
Rent (refer note 29)	49.24	53.27
Rates and taxes	2.49	2.13
Insurance	3.56	3.76
Repairs and maintenance - Machinery and Equipment	2.03	1.61
Repairs and maintenance - Others	24.78	21.76
Advertisement & Sales promotion	99.50	70.06
Commission on sales	106.98	96.44
Commission on Credit Card Sales	10.34	9.87
Freight Charges	35.00	37.54
Maintenance & Other Charges - Showrooms	45.72	39.39
Shoe Repair Expenses	1.02	1.45
Communication	2.81	2.68
Travelling and conveyance	18.49	13.56
Donations	0.01	0.01
Royalty	1.74	-
Legal and professional	10.79	10.62
Payments to auditors (refer note 22.1)	0.54	0.50
Loss on Sale/ discard of Property, plant and equipment (net)	5.52	1.55
Directors' Sitting fees and commission (refer note 27)	1.23	0.92
Expenditure incurred for Corporate Social Responsibility (refer note 32)	8.86	8.50
Miscellaneous Expenses	16.14	14.84
Impairment Provision on Investments	-	1.33
Sublicence fees	13.74	4.27
Total	**505.93**	**436.91**

22.1 Payment to auditors:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
To statutory auditor		
(i) For Audit	0.34	0.32
(ii) For Limited Review	0.18	0.17
(iii) For Taxation Matters	0.02	0.01
Total	**0.54**	**0.50**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

23. Current Tax and Deferred Tax

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

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax:		
In respect of current year	141.28	137.47
In respect of prior year (Refer note 49)	(0.41)	6.81
Deferred tax:		
In respect of current year	(8.30)	(15.76)
In respect of prior year (Refer note 49)	-	18.21
Total	**132.57**	**146.73**

(b) Income tax recognised in other comprehensive income

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax :		
Items that will not be reclassified to profit and loss:		
Remeasurement of defined benefit obligations	0.04	(0.00)
Total	**0.04**	**(0.00)**

(c) Amounts recognised directly in Equity

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax impact arising on exercise of stock options	4.85	13.21
Total	**4.85**	**13.21**

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

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**533.06**	**496.32**
Income tax expense calculated at 25.168%	134.16	124.91
Effect of income that is exempt from taxation	(2.76)	(3.22)
Effect of expenses that are non-deductible in determining taxable profit	2.47	1.06
Effect due to differential tax rate	(0.89)	(1.04)
Tax of prior years (Refer note 49)	(0.41)	25.02
Income tax expense recognised in Statement of Profit and Loss	**132.57**	**146.73**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

(e) Deferred tax

₹ in Crores

Particulars	For the year ended March 31, 2026				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Prior Year Adjustment	Closing Balance
Tax effect of items constituting deferred tax assets/ (liabilities)					
Property, plant and equipment	(18.23)	3.42	-	-	(14.81)
Allowance for expected credit losses on trade receivables, advances and deposits	2.78	(2.78)	-	-	-
Fair valuation on investments	0.02	(3.78)	-	-	(3.76)
Right of use asset	(268.72)	(78.45)	-	-	(347.17)
Lease liabilities	308.85	86.34	-	-	395.19
Discounting on security deposit	7.13	3.01	-	-	10.13
Provision for Warranty	0.05	-	-	-	0.05
Compensated absences	1.51	0.53	-	-	2.04
Provision for expenses	0.79	0.01	-	-	0.80
Provision For Impairment On Investment	0.34	-	-	-	0.34
MSME Payment due but not made	(0.01)	-	-	-	(0.01)
Net deferred tax asset	**34.51**	**8.30**	**-**	**-**	**42.80**

₹ in Crores

Particulars	For the year ended March 31, 2025				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Prior Year Adjustment	Closing Balance
Tax effect of items constituting deferred tax assets/ (liabilities)					
Property, plant and equipment	(0.15)	2.64	-	(20.72)	(18.23)
Allowance for expected credit losses on trade receivables, advances and deposits	0.27	-	-	2.51	2.78
Fair valuation on investments	(3.41)	3.43	-	-	0.02
Right of use asset	(244.23)	(24.49)	-	-	(268.72)
Lease liabilities	276.47	32.38	-	-	308.85
Discounting on security deposit	5.54	1.59	-	-	7.13
Provision for Warranty	0.05	-	-	-	0.05
Compensated absences	1.33	0.18	-	-	1.51
Provision for expenses	0.93	(0.14)	-	-	0.79
Provision For Impairment On Investment	-	0.34	-	-	0.34
MSME Payment due but not made	0.16	(0.17)	-	-	(0.01)
Net deferred tax asset	**36.96**	**15.76**	**-**	**(18.21)**	**34.51**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

24. (a) Deferred tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities	(365.75)	(286.96)
Deferred tax assets	408.55	321.47
Total	**42.80**	**34.51**

(b) Non-current tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Income tax (net of provision for taxation)	0.12	4.37
Total	**0.12**	**4.37**

(c) Current tax liabilities (Net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for taxation (net of advance tax)	4.49	-
Total	**4.49**	**-**

25 Contingent Liabilities and commitments (to the extent not provided for)

₹ in crores

Nature of Dues	As at March 31, 2026	As at March 31, 2025	Period	Forum where dispute is pending
(i) Contingent Liabilities				
a) Disputed indirect tax matters				
Service Tax	0.11	0.11	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax	0.76	0.76	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
	0.01	0.01	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.03	0.04	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.00	0.00	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.01	0.01	F.Y. 2009-2010	Assistant Commissioner (Appeals-Ii) Ernakulam.
Goods and Services Tax	0.02	0.02	F.Y. 2019-2020	Commercial Tax Officer, Vigilance-43, Bangalore
	0.01	0.01	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	0.47	0.47	F.Y. 2017-2018	Assistant Commissioner of State Tax- Bihar

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in crores

Nature of Dues	As at March 31, 2026	As at March 31, 2025	Period	Forum where dispute is pending
	-	0.01	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	0.57	0.57	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit: West Bengal
	0.52	0.52	F.Y. 2018-2019	Deputy Commissioner, Rajasthan
	0.16	0.16	F.Y. 2018-2019	Commissioner of Appeal, Central Sales Tax, Cochin
	0.43	0.43	F.Y. 2018-2019	Deputy Commissioner, Central GST-DIV-VI, Ahmedabad South
	0.40	0.40	F.Y. 2018-2019	Assistant Commissioner Large Tax Payer Unit, West Bengal
	0.08	0.08	F.Y. 2019-2020	Assistant Commissioner Large Tax Payer Unit, West Bengal
Profession Tax	-	1.28	F.Y. 2020-2021	Assistant Commissioner of Sales Tax Profession
ii) Commitments				
a) Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided for :	5.05	2.42		

Future cash flow in respect of contingent liability matters depend on the final outcome of judgement/decisions pending at various forums/authorities.

The estimated amount of contracts remaining to be executed on capital account represents amount to be incurred for store fitout.

26 Employee Benefits:

I) Defined - Contribution Plans

The Company offers its employees defined contribution plan in the form of Provident Fund and Employees' State Insurance Corporation (ESIC). Both the employees and the Company pay pre determined contributions into the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised Provident Fund ₹ 11.06 Crores (Previous year ₹ 9.84 Crores) and ESIC ₹ 3.22 Crores (Previous year ₹ 2.79 Crores) in the Statement of Profit and Loss.

II) Defined Benefit Plans- Gratuity

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company or as per the Payment of the Gratuity Act, 1972, whichever is higher. Vesting occurs upon completion of five years of service.

There is no cap on the amount of gratuity paid to an eligible employee at retirement, death while in employment or on termination of the employment.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Expense recognized in the Statement of Profit and Loss for the year		
1. Current Service Cost	3.25	2.69
2. Past Service Cost	2.67	-
3. Net Interest Cost on the net defined benefit liability	0.65	0.13
Total	**6.57**	**2.82**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	0.36	(0.23)
2. Actuarial losses on account of :		
- change in financial assumptions	(0.62)	0.81
- experience variance	0.42	(0.59)
Total	**0.16**	**(0.01)**
III. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	28.74	24.03
2. Fair value of plan assets	22.01	21.21
3. Net (liability) as at end of the year	(6.73)	(2.81)
IV. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	24.02	21.15
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	3.25	2.69
- Past Service Cost	2.67	-
- Interest Cost	1.53	1.51
3. Remeasurement gains/(losses)		
- change in financial assumptions	(0.62)	0.81
- experience variance (i.e. Actual experience vs assumptions)	0.43	(0.59)
4. Benefits paid	(2.54)	(1.55)
5. Present Value of Defined Benefit Obligation at the end of the year	28.74	24.02
V. Change in Fair Value of Assets during the year		
1. Plan assets at the beginning of the year	21.21	19.34
2. Investment Income	0.88	1.38
3. Return on plan assets (excluding amount recognised in net interest expense)	(0.36)	0.23

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
4. Contribution by employer	2.82	1.81
5. Benefits paid	(2.54)	(1.55)
6. Fair value of Plan assets at the end of the year	22.01	21.21
VI. Fair value of plan assets at the end of the reporting period for each category are as follows:		
- Government of India Securities (Central & State)	8.33	5.40
- High quality corporate bonds (Including public sector bonds)	6.69	5.86
- Equity shares, Equity mutual funds and ETF	3.74	8.92
- Others	3.25	1.03
Total	**22.01**	**21.21**
VII. Actuarial assumptions		
1. Discount Rate [HO]	6.90%	6.50%
Discount Rate [Sales Staff]	6.50%	6.50%
2. Salary Escalation Rate [HO]	9.00%	9.00%
Salary Escalation Rate [Sales Staff]	9.00%	9.00%
3. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
4. Retirement Age	60 Years	60 Years
5. In-service Mortality	IALM 2012-14	IALM 2012-14

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Rate (-/ + 1%)		
- Decrease by 1%	1.54	1.35
- Increase by 1%	(1.41)	(1.23)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(1.39)	(1.21)
- Increase by 1%	1.50	1.31
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	2.87	2.46
- Increase by 50%	(1.63)	(1.36)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

d) Expected contribution for the next year:

The Company expects to contribute ₹ 6.73 Crores in respect of the gratuity plans during the next financial year.

e) Expected future benefits payable:

₹ in Crores

Maturity Profile of Defined Benefit Obligation	As at March 31, 2026	As at March 31, 2025
1 year	4.78	4.11
2 to 5 years	16.25	12.47
6 to 10 years	12.26	10.54
More than 10 years	9.91	8.86

III) Defined Benefit Plans - Compensated absences

The Company has the policy for Compensated absences which allows the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2026.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	8.22	6.07
2. Fair value of plan assets	-	-
3. Net (liability) as at end of the year	**(8.22)**	**(6.07)**
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	6.07	5.36
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	3.17	1.50
- Past Service Cost	0.72	-
3. Benefits paid	(1.74)	(0.79)
4. Present Value of Defined Benefit Obligation at the end of the year	8.22	6.07

b) Actuarial Assumptions

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Discount Rate [HO]	6.90%	6.50%
Discount Rate [Sales Staff]	6.50%	6.50%
2. Salary escalation rate	9.00%	9.00%
3. Retirement age	60 years	60 years
4. In - service mortality	100% of IALM 2012-14	100% of IALM 2012-14
5. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
6. Rate of Leave Availment	0.00%	0.00%

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Rate (-/ + 1%)		
- Decrease by 1%	0.49	0.25
- Increase by 1%	(0.44)	(0.23)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(0.43)	(0.23)
- Increase by 1%	0.47	0.24
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	0.66	0.41
- Increase by 50%	(0.27)	(0.17)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

27 Related party disclosures

List of Related Parties :

I. Names of Related Party and description of relationship:

a.	Parties where control exist - Subsidiary Companies	1. M/s. Metmill Footwear Private Limited
		2. M/s. Metro Athleisure Limited
b.	Joint Venture	M/s. M.V. Shoe Care Private Limited
c.	Other Related Parties with whom transactions have taken place during the year :	
i.	Key Management Personnel (KMP)	1. Mr. Rafique Malik - Chairman (having significant influence)
		2. Mrs. Farah Malik Bhanji - Managing Director (having significant influence)
		3. Ms. Alisha R. Malik (w.e.f 1st September 2024)
		4. Mr. Mohammed Iqbal hasanally Dossani (Whole time Director)
		5. Mr. Nissan Joseph - Chief Executive Officer
		6. Mr. Kaushal Parekh - Chief Financial Officer
		7. Ms. Deepa Sood - Company Secretary
		8. Mr. Manoj Kumar Maheshwari (upto 5th February 2025)
		9. Ms. Aruna Advani (upto 5th February 2025)
		10. Mr. Arvind Kumar Singhal
		11. Mr. Vikas Khemani
		12. Mr. Srikanth Velamakanni (upto 24th March 2026)
		13. Mr. Mithun Sancheti
		14. Mr. Bhaskar Bhat (w.e.f 6th February 2025)
		15. Ms. Radhika Dilip Piramal (w.e.f 6th February 2025)

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

ii.	Relatives of Key Management Personnel	1. Mrs. Sabina Malik Hadi
		2. Ms. Zarah Rafique Malik
		3. Mrs. Zia Malik Lalji
		4. Ms. Alisha R. Malik (Upto 31st August 2024)
		5. Mrs. Rukshana Kurbanali Javeri
		6. Mrs. Mumtaz Jaffer
		7. Mr. Suleiman Sadruddin Bhanji
		8. Mrs. Aziza Malik
iii.	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	1. Design Matrix Interiors LLP
		2. Design Matrix Associated Private Limited
		3. Design Matrix Interiors Partner's LLP
		4. Fractal Analytics Limited
		5. Ad-Tech Systems
		6. Metro Shoes
		7. Metro Family Holdings
		8. Aziza Malik Family Trust
		9. Rafique Malik Family Trust
		10. Zia Malik Family Trust
		11. Zarah Malik Family Trust
		12. Sabina Malik Family Trust
		13 Farah Malik Family Trust

II. Related Party Transactions during the year:

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)						
Mr. Rafique Malik	Mar-26				1.81	
	Mar-25				2.01	
Mrs. Aziza Malik	Mar-26					2.58
	Mar-25					2.69
Commission/rent in respect of retail agency agreements for showroom						
Metro Shoes	Mar-26		2.48			
	Mar-25		2.42			
Remuneration						
Mr. Rafique Malik	Mar-26				6.85	
	Mar-25				7.56	
Mrs. Farah Malik Bhanji	Mar-26				3.86	
	Mar-25				3.65	
Mrs. Aziza Malik	Mar-26					2.66
	Mar-25					2.50

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mr. Kaushal Parekh	Mar-26				4.76	
	Mar-25				1.94	
Mr. Nissan Joseph	Mar-26				8.84	
	Mar-25				15.86	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-26				0.71	
	Mar-25				0.65	
Ms. Deepa Sood	Mar-26				1.40	
	Mar-25				1.27	
Ms. Alisha R. Malik	Mar-26				1.63	
	Mar-25				0.69	0.79
Directors' Sitting Fees and Commission						
Ms. Aruna Advani	Mar-26				0.13	
	Mar-25				0.17	
Mr. Manoj Kumar Maheshwari	Mar-26				0.05	
	Mar-25				0.15	
Mr. Arvind Kumar Singhal	Mar-26				0.12	
	Mar-25				0.15	
Mr. Srikanth Velamakanni	Mar-26				0.15	
	Mar-25				0.15	
Mr. Vikas Khemani	Mar-26				0.20	
	Mar-25				0.17	
Mr. Mithun Sancheti	Mar-26				0.16	
	Mar-25				0.08	
Mr. Bhaskar Bhat	Mar-26				0.23	
	Mar-25				0.03	
Ms. Radhika Dilip Piramal	Mar-26				0.19	
	Mar-25				0.02	
Retainership Fees						
Mrs. Mumtaz Jaffer	Mar-26					0.39
	Mar-25					0.36
Interim Dividend						
Mr. Rafique Malik	Mar-26				0.81	
	Mar-25				4.73	
Mrs. Farah Malik Bhanji	Mar-26				1.18	
	Mar-25				6.88	
Mrs. Aziza Malik	Mar-26					0.41
	Mar-25					2.36

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Ms. Alisha R. Malik	Mar-26				2.37	
	Mar-25				13.82	
Mrs. Sabina Malik Hadi	Mar-26					1.18
	Mar-25					6.89
Ms. Zarah Rafique Malik	Mar-26					1.18
	Mar-25					6.89
Mrs. Zia Malik Lalji	Mar-26					1.18
	Mar-25					6.89
Mrs. Rukshana Kurbanali Javeri	Mar-26					0.07
	Mar-25					0.42
Mrs. Mumtaz Jaffer	Mar-26					0.01
	Mar-25					0.04
Mr. Kaushal Parekh	Mar-26				0.03	
	Mar-25				0.15	
Aziza Malik Family Trust	Mar-26		22.93			
	Mar-25		133.78			
Rafique Malik Family Trust	Mar-26		22.61			
	Mar-25		131.90			
Zia Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Zarah Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Sabina Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Farah Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Mr. Suleiman Sadruddin Bhanji	Mar-26					0.01
	Mar-25					0.06
Mr. Nissan Joseph	Mar-26				-	
	Mar-25				0.21	
Ms. Deepa Sood	Mar-26				0.00	
	Mar-25				0.01	
Mohammed Iqbal Hasanally Dossani	Mar-26				0.00	
	Mar-25				0.02	
Final Dividend						
Mr. Rafique Malik	Mar-26				0.68	
	Mar-25				0.61	

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mrs. Farah Malik Bhanji	Mar-26				0.98	
	Mar-25				1.15	
Mrs. Aziza Malik	Mar-26					0.34
	Mar-25					0.30
Mr. Nissan Joseph	Mar-26				0.03	
	Mar-25				-	
Mr. Kaushal Parekh	Mar-26				0.02	
	Mar-25				0.02	
Ms. Alisha R. Malik	Mar-26				1.97	
	Mar-25				2.04	
Mrs. Sabina Malik Hadi	Mar-26					0.98
	Mar-25					1.15
Ms. Zarah Rafique Malik	Mar-26					0.98
	Mar-25					1.15
Mrs. Zia Malik Lalji	Mar-26					0.98
	Mar-25					1.15
Mrs. Rukshana Kurbanali Javeri	Mar-26					0.06
	Mar-25					0.05
Mrs. Mumtaz Jaffer	Mar-26					0.01
	Mar-25					0.01
Aziza Malik Family Trust	Mar-26		19.11			
	Mar-25		17.20			
Rafique Malik Family Trust	Mar-26		18.84			
	Mar-25		16.96			
Zia Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Zarah Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Sabina Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Farah Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Ms. Deepa Sood	Mar-26				0.00	
	Mar-25				0.00	
Mohammed Iqbal Hasanally Dossani	Mar-26				0.00	
	Mar-25				0.00	

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for the year ended March 31, 2026

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mr. Suleiman Sadruddin Bhanji	Mar-26					0.01
	Mar-25					0.01
Professional Fees (capital cost)						
Design Matrix Interiors LLP	Mar-26		0.07			
	Mar-25		1.95			
Design Matrix Interiors Partner's LLP	Mar-26		2.19			
	Mar-25		-			
Design Matrix Associated Private Limited	Mar-26		0.09			
	Mar-25		0.24		-	
Fractal Analytics Limited	Mar-26		4.97			
	Mar-25		5.38			
Purchase of IT Assets (capital cost)						
Ad-Tech Systems	Mar-26		0.31			
	Mar-25		-			
Dividend received from subsidiary						
Metmill Footwear Private Limited	Mar-26	-				
	Mar-25	4.59				
Purchases of Stock-in-Trade (net of taxes)						
M.V. Shoe Care Private Limited	Mar-26			24.32		
	Mar-25			20.16		
Metro Athleisure Limited (Wholly owned Subsidiary Company)	Mar-26	6.68				
	Mar-25	8.77				
Repayment of loan by subsidiary						
Metro Athleisure Limited (Wholly owned Subsidiary Company)	Mar-26	-				
	Mar-25	6.45				
Interest on loan from subsidiary						
Metro Athleisure Limited (Wholly owned Subsidiary Company)	Mar-26	-				
	Mar-25	0.25				

III. Outstanding receivables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit for Rent		
Mr. Rafique Malik (BM8 Store - Colaba, Mumbai)	-	0.13

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

IV. Outstanding payables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(0.10)	(0.19)
Mrs. Aziza Malik	(0.14)	(0.21)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(0.05)	(0.02)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(0.26)	(0.27)
Professional Fees (capital cost)		
Design Matrix Interiors LLP#	0.05	(0.37)
Design Matrix Interiors Partner's LLP	(0.37)	-
Design Matrix Associated Private Limited	(0.02)	(0.02)
Fractal Analytics Limited	-	(2.24)
Purchases of Stock-in-trade		
M.V. Shoe Care Private Limited	(3.73)	(2.93)
Metro athleisure Limited	(2.13)	(4.54)

 # net of advances

Related party disclosures

Terms and conditions of transactions with related parties

(a) Rent/commission (compensation in respect of concession agreements for showrooms)

The Company has taken Alkapuri (Vadodara), Linking Road (Mumbai), SK Open Mall (Nashik), Colaba Causeway (Mumbai) and CG Road (Ahmedabad) on lease from the promoter, a relative of the promoter and an entity over which the promoter of the Company have control, for a period of 10 to 15 years. The lease requires the Company to pay variable lease rental on a monthly basis. The lease payments are at arm's length price and in the ordinary course of business. The lease agreement does not contain any escalation clauses. At the end of lease term, the lease agreement is renewable based on mutual negotiation and agreement.

(b) Remuneration to Key Management Personnel and Relatives of Key Management Personnel

The amounts disclosed in the table above are the amounts recognised as an expense during the financial year related to Key Management Personnel and Relatives of Key Management Personnel. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of Key Management Personnel and Relatives of Key Management Personnel. Such expenses are measured based on an actuarial valuation done for Company as a whole. Hence, amounts attributable to Key Management Personnel and Relatives of Key Management Personnel are not separately determinable.

(c) Key Management Personnel's interest in Employee Stock Option Plan 2008

Equity settled share options held by the executive members of the Board of Directors and other key managerial personnel of the Company under the Employee Stock Option Plan 2008 to purchase equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Number outstanding	
			31-Mar-26	31-Mar-25
01-09-2021	01-09-2031	228.00	187,625	277,128
01-09-2022	01-09-2032	228.00	36,290	36,290
01-10-2022	01-10-2032	391.46	16,650	22,704

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to note 31 for further details on the scheme.

(d) Sitting Fees to Independent Directors

Sitting Fees is paid to directors including non-executive and independent directors for attending meetings of the Board and various Committees constituted by the Board at rates approved by the Board and Shareholders of the Company. The Sitting Fees is payable to each Director after conclusion of each meeting.

(e) Retainership Fees to Relatives to Key Management Personnel

The Company had paid retainership fees to Relatives to Key Management Personnel against designing of hand bags for the brand. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to similar services received by the Company from other non-related parties.

(f) Professional Fees (capital cost)

The Company received professional services (capital costs) for its showrooms and business operations from enterprises in which Key Management Personnel / Relatives of Key Management Personnel are able to control / exercise significant influence on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

(g) Purchases of IT Assets

The Company procured IT assets (capital costs) from enterprises in which Relatives of Key Management Personnel are able to control / exercise significant influence on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees the purchase price and payment terms with the related parties by benchmarking the same against comparable transactions with non-related parties entered into by the counter-party. Such procurements generally include payment terms requiring the Company to make payment within 45 to 60 days from the date of invoice.

(h) Purchases of goods and related balances

For terms of transaction

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party. Such purchases generally include payment terms requiring the Company to make payment within 45 to 60 days from the date of invoice.

For terms of balance

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 45 to 60 days from the reporting date (March 31, 2025: 45 to 60 days from the reporting date).

(i) Loan to subsidiary

The Company had given loan to its subsidiary for repayment of existing loan and working capital purpose. The loan had been utilized by the subsidiary for the purpose it was obtained. The loan was unsecured, repayable within 2 years form the date of disbursement of each tranche and carried interest rates at the rate of 7% per annum. During the year ended March 31, 2025, the loan has been repaid by the said subsidiary.

(j) Others

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to the related parties.

2) There are no guarantees provided or received for any related party receivables or payables.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

28 Segment Reporting

The Company's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category, which in terms of Ind AS 108 'Operating Segments' constitutes a single reporting segment. Further, there is no geographical segment to be reported since all the operations are undertaken in India. There is no customer having revenue greater than 10% of the Company turnover.

29 Leases

Right-of-use Asset (Showrooms and Warehouse)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,067.66**	**970.34**
Additions during the year	587.89	311.81
Disposals during the year	(36.07)	(18.43)
Depreciation expense for the year	(240.06)	(196.06)
Balance at the end of the year	**1,379.42**	**1,067.66**

Lease Liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,227.08**	**1,098.43**
Additions during the year	571.72	301.54
Disposals during the year	(45.85)	(24.04)
Interest expense for the year	110.12	89.99
Lease payment during the year	(292.86)	(238.84)
Balance at the end of the year	**1,570.21**	**1,227.08**

Maturity analysis - contractual undiscounted cash flows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year	323.30	258.56
1 - 5 Year	1,082.11	872.12
More than 5 years	651.47	468.44
Total undiscounted lease liabilities at the end of the year	**2,056.88**	**1,599.12**

₹ in Crores

Lease Liabilities included in Financial statement at the end of the year	**1,570.21**	**1,227.08**
Current	215.54	172.60
Non-Current	1,354.67	1,054.48

Amounts recognised in Statement of Profit and Loss

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	110.12	89.99
Depreciation of Right-of-use assets	240.06	196.06
Expenses relating to short term leases/Variable lease payments	49.24	53.27
Total	**399.42**	**339.32**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Amounts recognised in Statement of Cash Flows

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Cash outflow for Leases	(292.86)	(238.84)

a) The Company has showrooms and warehouses under lease which comprises Buildings.

b) The Company incurred ₹ 49.24 Crores for the year ended March 31, 2026 (Previous year ₹ 53.27 Crores) towards expenses relating to short-term leases and variable lease payments. The total cash outflow for leases is ₹ 292.86 Crores for the year ended March 31, 2026 (Previous year ₹ 238.84 Crores) excluding cash outflow of short-term leases and variable lease payments. Interest on lease liabilities is ₹ 110.12 Crores for the year ended March 31, 2026 (Previous year ₹ 89.99 Crores).

c) The effective interest rate for lease liabilities is 7.31 % (March 31, 2025: 7.34%).

d) The future lease payment for non-cancellable lease contracts (which have not commenced) as at March 31, 2026 ₹ 55.58 Crores (March 31, 2025: ₹ 111.26 Crores).

30 Basic and Diluted Earnings per Share is calculated as under:

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax as per Statement of Profit and Loss	400.49	349.59
Weighted average number of Equity Shares:		
- Basic	272,366,143	272,025,712
Add: Effect of Potential Equity Shares on employees stock options outstanding	675,552	929,230
- Diluted	273,041,695	272,954,942
Earnings per Share (₹)		
- Basic (₹)	14.70	12.85
- Diluted (₹)	14.67	12.81

31 Employee Stock Option Plan 2008 (ESOP – 2008):

The Company had granted stock options (options) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the Company as approved by the shareholders in the 31st Annual General Meeting held on 11th September, 2008.

The said plan was further amended vide shareholders resolution dated August 5th, 2021

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

a) The particulars of the Options distributed under ESOP 2008 are as follows:

Particulars	ESOP
Eligibility	A permanent employee or a director of the Company (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Company.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period	The options granted will vest over the term determined by the Nomination and Remuneration Committee in graded manner. Further, in case of disability and death all the unvested options will vest immediately from the date of such event.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following : (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disability and death of grantee's the legal heir must exercise the shares within six months from the date of such event. (d) Three months from the date of retirement.
Exercise Price	The exercise price per option is to be determined by the Board / NRC at the time of grant but the fair market value should not be less than the face value of a share on the grant date.
Face value	Equity Shares of face value ₹ 5/- each (Previous year ₹ 5/- each)

b) The particulars of number of options granted, exercised and lapsed for Employees Stock Option plan 2008 (ESOP 2008) are as follows:

Summary of stock options

₹ in Crores

Particulars	Number of options as at March 31,2026	Number of options as at March 31,2025
Options outstanding at the beginning of the year	**1,249,079**	**1,504,532**
Options granted during the year*	252,282	162,817
Options exercised during the year	(300,751)	(335,217)
Options forfeited / lapsed during the year	(194,735)	(83,053)
Options outstanding at the end of the year	**1,005,875**	**1,249,079**

* Options granted during the year ended:

March 31, 2026		March 31, 2025	
July 01, 2024	14,511	April 01, 2024	8,372
October 01, 2024	4,499	July 01, 2024	35,912
April 01, 2025	41,443	October 01, 2024	56,683
July 01, 2025	150,308	October 01, 2024	732
October 01, 2025	9,638	January 01, 2025	61,118
January 01, 2026	31,883		
Total	**252,282**	**Total**	**162,817**

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Information in respect of options outstanding as at March 31, 2026

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228.00	374,200	0.50
₹ 228.00	79,759	1.50
₹ 228.00	41,809	0.50
₹ 391.46	16,650	1.56
₹ 228.00	6,162	0.84
₹ 409.70	22,005	2.01
₹ 403.10	53,284	2.25
₹ 228.00	14,000	1.42
₹ 228.00	6,684	2.50
₹ 488.25	8,535	2.51
₹ 544.80	52,525	2.76
₹ 588.25	8,372	3.01
₹ 563.36	49,626	3.25
₹ 649.95	58,565	3.51
₹ 228.00	488	1.50
₹ 608.55	21,310	3.76
₹ 585.76	41,443	4.01
₹ 571.59	108,937	4.25
₹ 599.18	9,638	4.51
₹ 577.79	31,883	4.76

c) During the year the Company has granted 2,52,282 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The fair value of the options granted during the year are as follows:

The fair value of the options granted during the year are as follows:

Number of options - 14,511, Vesting period - 5 years

Grant date- July 01, 2024	Fair value per option (₹)
July 01, 2025	725.06
July 01, 2026	752.98
July 01, 2027	779.42
July 01, 2028	806.64
July 01, 2029	829.26

Number of options - 4,499, Vesting period - 5 years

Grant date- October 01, 2024	Fair value per option (₹)
October 01, 2025	693.10
October 01, 2026	725.38
October 01, 2027	756.00
October 01, 2028	788.68
October 01, 2029	815.38

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Number of options - 41,443, Vesting period - 5 years

Grant date- April 01, 2025	Fair value per option (₹)
April 01, 2026	472.46
April 01, 2027	493.30
April 01, 2028	515.74
April 01, 2029	535.84
April 01, 2030	557.27

Number of options - 1,50,308, Vesting period - 5 years

Grant date- July 01, 2025	Fair value per option (₹)
July 01, 2026	614.42
July 01, 2027	632.13
July 01, 2028	651.13
July 01, 2029	669.15
July 01, 2030	690.09

Number of options - 9,638, Vesting period - 5 years

Grant date- October 01, 2025	Fair value per option (₹)
October 01, 2026	731.10
October 01, 2027	750.97
October 01, 2028	772.04
October 01, 2029	791.81
October 01, 2030	813.90

Number of options - 31,883, Vesting period - 5 years

Grant date- January 01, 2026	Fair value per option (₹)
January 01, 2027	667.25
January 01, 2028	686.30
January 01, 2029	705.96
January 01, 2030	725.74
January 01, 2031	747.47

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : July 01, 2024 (5 years vesting)	
Risk free interest rate (%)	6.62% - 6.69%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	19.78% - 27.46%
Expected dividend yield (%)	0.41%
Exercise price (₹)	563.36
Stock price (₹)	1,228.50

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Grant dated : October 01, 2024 (5 years vesting)	
Risk free interest rate (%)	6.33% - 6.40%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	19.01% - 27.03%
Expected dividend yield (%)	0.39%
Exercise price (₹)	649.95
Stock price (₹)	1,275.65

Grant dated : April 01, 2025 (5 years vesting)	
Risk free interest rate (%)	6.15% - 6.20%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	21.82% - 27.17%
Expected dividend yield (%)	1.22%
Exercise price (₹)	585.76
Stock price (₹)	1,013.30

Grant dated : July 01, 2025 (5 years vesting)	
Risk free interest rate (%)	5.52% - 5.91%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	21.63% - 27.05%
Expected dividend yield (%)	1.07%
Exercise price (₹)	571.59
Stock price (₹)	1,150.20

Grant dated : October 01, 2025 (5 years vesting)	
Risk free interest rate (%)	5.62% - 6.12%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	22.97% - 27.43%
Expected dividend yield (%)	0.96%
Exercise price (₹)	599.18
Stock price (₹)	1,290.30

Grant dated : January 01, 2026 (5 years vesting)	
Risk free interest rate (%)	5.61% - 6.18%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	23.26% - 27.36
Expected dividend yield (%)	1.02%
Exercise price (₹)	577.79
Stock price (₹)	1,207.10

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 10.80 crores (Previous year ₹ 11.33 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

32 Expenditure on Corporate Social Responsibility

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Amount required to be spent by the Company during the year	9.45	8.04
(ii) Amount spent during the year (refer note below)		
- Construction/Acquisition of any asset		
a) In cash	-	-
b) Yet to paid in cash	-	-
- On purpose other than above		
a) In cash (including shortfall of previous year ₹ 0.05 crores (March 31, 2025 ₹ 0.51 crores))	8.86	8.50
b) Yet to paid in cash	-	-
(iii) Shortfall at the end of the year	(0.64)	(0.05)
(iv) Total of previous years excess	-	-
(v) Reason for shortfall/excess		
The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2025 has been paid during the year ended March 31, 2026. The total shortfall for the current year ended March 31, 2026, ₹ 0.64 Crores has been transferred to Unspent CSR Account on or before April 30, 2026.		
(vi) Nature of CSR activities		
a) Good health and well being	-	-
b) Education	5.11	5.09
c) Processing of Old discarded footwear in an Ecofriendly manner	2.75	1.08
d) Other	1.00	2.33
(vii) Details of related party transactions	Not Applicable	Not Applicable
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Note:

The Company has incurred the aforesaid expenditure towards ongoing projects.

33 Financial Instruments

33.1 Capital Management

Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Equity		
Equity Share Capital	136.27	136.12
Other Equity	1,816.62	1,543.37
Total Equity	**1,952.89**	**1,679.49**
Total Debt *	**1,570.21**	**1,227.08**
Debt Equity Ratio	**0.80**	**0.73**

** Total Debt comprises of Lease Liability.*

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

33.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 , Level 2 and Level 3 hierarchy.

₹ in Crores

Particulars	Hierarchy level	As at March 31, 2026	As at March 31, 2025
Financial Assets			
Measured at fair value through profit or loss			
- Investments in Mutual funds	Level 2	276.49	154.79
- Investments in Bonds	Level 1	15.49	27.62
- Investments in Optionally Convertible Debentures	Level 3	20.86	20.86
- Investments in Infrastructure Investment trusts	Level 1	85.76	61.79
- Investments in Non-Convertible Debentures	Level 1	99.94	-
Measured at amortised cost			
- Trade receivables #		49.83	47.97
- Cash and cash equivalents #		32.27	92.54
- Investments in Equity instrument		5.50	5.50
- Investments in Compulsorily Convertible Preference Shares		1.96	1.96
- Other Bank balances #		0.17	0.17
- Investment in Fixed Deposits of Non Banking Companies #		-	39.00
- Investment in Commercial Papers #		157.26	228.42
- Loans #		0.91	1.37
- Other financial assets #		205.83	271.74
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	12.01	12.24
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		275.53	222.75
- Other financial liabilities #		66.92	36.00
- Lease Liabilities #		1,570.21	1,227.08

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

There have been no transfers between level 1 and level 2 during the period.

33.3 Fair Value measurements

Fair valuation techniques and inputs used

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

a) recognised and measured at fair value and

b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

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

Level 2 inputs include:

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

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

Financial assets measured at fair value

Financial assets	Fair value (₹ in crores)		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	As at March 31, 2026	As at March 31, 2025				
Investments in Mutual funds	276.49	154.79	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in Optionally Convertible Debentures	20.86	20.86	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	27.50	39.86	Level 1	Active market determined	NA	NA
Investment in Infrastructure Investment Trusts	85.76	61.79	Level 1	Active market determined	NA	NA
Investments in Non-Convertible Debentures	99.94	-	Level 1	Active market determined	NA	NA

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

33.4 Financial Risk Management

The Company's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) Credit Risk

(i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Company primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

(ii) Trade and other receivables:

The Company's retail business is predominantly on cash and carry basis. The Company sells goods on credit basis to institutional and other customers. The credit risk on such collections is minimal considering that such sales are only 14.54% of the total sales. The credit period for institutional and other customers is between 30 to 150 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 and the credit risk exposure is managed by the Company by credit worthiness checks. As at March 31, 2026, the Company had 17 customers (as at March 31, 2025 : 12 customers) that accounted for approximately 89.17% (as at March 31, 2025 : 84.19%) of the total receivables. The Company also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

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

(iii) Cash and cash equivalents and deposits with banks:

Credit risk on Cash and Cash Equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B) Liquidity Risk

(i) 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.

(ii) Maturity of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

₹ in crores

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total Undiscounted cash amount	Carrying amounts
As at 31st March, 2026						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	275.53	-	-	-	275.53	275.53
Lease liabilities	323.30	593.77	488.34	651.47	2,056.88	1,570.21
Others	66.92	-	-	-	66.92	66.92

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

₹ in crores

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total Undiscounted cash amount	Carrying amounts
As at 31st March, 2025						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	222.75	-	-	-	222.75	222.75
Lease liabilities	258.56	485.30	386.83	468.43	1,599.12	1,227.08
Others	36.00	-	-	-	36.00	36.00

The Company has access to following financing facilities which were undrawn as at the end of the year.

₹ in Crores

Undrawn financing facilities	As at March 31, 2026	As at March 31, 2025
Secured working capital facilities		
Amount Used	-	-
Amount Unused	56.00	46.00
Total	**56.00**	**46.00**

The above facility has been secured by a charge on Company's current assets & receivables.

C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Product Price risk

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps Company protect itself from significant product margin losses.

(ii) Interest risk

The Company is not exposed to interest rate risk through the borrowing activities. The Company does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

(iii) 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 ₹ in Crores, is as follows

Particulars	As at March 31, 2026		As at March 31, 2025	
	₹ in Crores	USD($) in Crores	₹ in Crores	USD($) in Crores
Trade Payables	0.00	0.00	0.00	0.00

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

Sensitivity

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

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
USD sensitivity		
₹/USD -Increase by 1% #	(0.00)	(0.00)
₹/USD -Decrease by 1% #	0.00	0.00

34 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount remaining unpaid to any supplier at the end of the accounting year	55.35	52.46
The Interest due on the principal amount remaining unpaid to any supplier at the end of the accounting year	-	1.34
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	0.78	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year (where the principal has been paid but interest under the MSMED Act, 2006 is not paid)	-	1.34
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	1.34

Note : Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

35 Events after the reporting period

No events, other than those disclosed in the financial statements, have occurred subsequent to the balance sheet date or are pending that would require adjustment to, or disclosure in the financial statements or amendment to significant assumptions used in the preparation of accounting estimate.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

36 Ratio analysis and its elements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current Assets	1,745.34	1,501.12
Current Liabilities	628.29	536.54
Ratio	**2.78**	**2.80**
% Change from previous year	**(1%)**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current and non current borrowings

The Company do not have any outstanding borrowing as at year ended March 31, 2026 and March 31, 2025 and hence debt equity ratio is not applicable

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at March 31, 2026	As at March 31, 2025
Earnings available for debt service	674.09	585.79
Debt Service	292.86	238.84
Ratio	**2.30**	**2.45**
% Change from previous year	**(6%)**	

Earnings available for debt service= Net Profit after taxes + Non-cash operating expenses

Debt service = Interest and Lease Payments + Principal Repayments

d) Return on Equity Ratio / Return on investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Net profit after tax	400.49	349.59
Total equity	1,952.89	1,679.49
Ratio	**20.51%**	**20.82%**
% Change from previous year	**(1%)**	

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2026	As at March 31, 2025
Cost of goods sold	1,170.72	1030.85
Average Inventory	736.79	663.82
Ratio	**1.59**	**1.55**
% Change from previous year	**2%**	

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit Sales (Net)	311.75	243.16
Average Trade Receivables	48.90	42.73
Ratio	**6.38**	**5.69**
% Change from previous year	**12%**	

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit Purchases (Net)	1,385.41	962.10
Average Trade Payables	249.14	237.00
Ratio	**5.56**	**4.06**
% Change from previous year	**37%**	

This ratio increased from 4.06 in March 2025 to 5.56 in March 2026, mainly due to higher purchases and quicker settlement of supplier dues driven by improved payment efficiency.

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Sales	2,797.16	2,449.61
Current Assets (A)	1,745.34	1,501.12
Current Liabilities (B)	628.29	536.54
Net Working Capital (C) = (A) - (B)	1,117.05	964.58
Ratio	**2.50**	**2.54**
% Change from previous year	**(1%)**	

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2026	As at March 31, 2025
Net profit after tax	400.49	349.59
Revenue from operation	2,797.16	2,449.61
Ratio	**14.32%**	**14.27%**
% Change from previous year	**0%**	

j) Return on Capital employed =Earnings before interest and taxes (EBIT) divided by Capital Employed (pre cash)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax (A)	400.49	349.59
Finance Costs (B)	110.90	90.37
Total Tax Expense (C)	132.57	146.73
EBIT (D) = (A)+(B)+(C)	**643.96**	**586.69**
Capital Employed (E)	**1,952.89**	**1,679.49**
Ratio (D)/(E)	**32.97%**	**34.93%**
% Change from previous year	**(6%)**	

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

k) Return on Investment

Particulars	As at March 31, 2026	As at March 31, 2025
Return on investment (refer note below)	9.76%	7.99%
% Change from previous year	**22%**	

Note :

The return on investment has been computed by considering the income earned from the investment and the weighted average of the associated cash flows.

37 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

38 The Company has not been declared Wilful defaulter by any bank or financial institution or government or any government authority.

39 There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

40 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

41 (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 There is no delay in creation or satisfaction of charge which has been registered with Registrar of Companies (ROC) during the period.

43 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

44 The Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks during the year on the basis of current assets of the Company. However, the Company is not required to file quarterly returns/statements with such banks in respect of the said loan.

45 The Company do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

46 The Company has not revalued its property, plant and equipment and intangible assets, thus valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

47 The Company has not entered into any scheme of arrangements as approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013.

48 Goodwill

Goodwill acquired in business combination has been allocated to the following Cash Generating Unit (CGU) :

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Fila business	40.37	40.37
Total	**40.37**	**40.37**

The movement in goodwill is as under :

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	40.37	40.37
Add : Additions during the year	-	-
Less : Deletion during the year	-	-
Less : Impairment during the year	-	-
Balance at the end of the year	**40.37**	**40.37**

Impairment testing of goodwill:

Goodwill is not amortized, instead, it is tested for impairment annually or more frequently if indicators of impairment exist. The recoverable amount of a CGU is determined based on value-in-use which require the use of certain assumptions. The value of goodwill is primarily attributable to overall synergies from future expected economic benefits.

During the current year, the Company has carried out impairment testing of Goodwill by considering the estimated value-in-use is based on discounted future cash flows for a period of 17 years (basis agreement entered into with FILA) considering weighted average cost of capital of 14.68% which reflects the time of cash flows and the anticipated risks.

An analysis of the sensitivity of the change in key parameters mainly weighted average cost of capital based on probable assumptions, did not result in any probable scenario in which the recoverable amount would decrease below the carrying amount.

49 During the year ended March 31, 2025, the Company has reconciled and reassessed the tax balances as per books primarily of the FILA business with balances as per return of income pertaining to earlier years resulting in current tax expense and reversal of deferred tax assets of ₹ 6.81 crores and ₹ 18.21 crores respectively.

50 Effective November 21, 2025, the Central Government has issued the Code on Social Security, 2020, along with other labour codes, which replace and consolidate multiple existing labour laws.

The Code prescribes an inclusive definition of the term “wages” for determining post-employment benefits for employees. As per the definition, certain specified components of remuneration are excluded from wages; however, such exclusions cannot exceed 50% of the total remuneration. Any excess of such excluded components over the prescribed threshold is required to be included within the definition of wages.

The Company has revised the existing compensation structure w.e.f. March 01, 2026, and obtained legal opinion that such revision is not detrimental to interest of employees as per section 124 of the revised code.

The Company has assessed the financial implications of these changes. The impact arising from the said changes of ₹ 3.39 crores has been appropriately recognised in statement of profit & loss as disclosed in Note 20 of the financial statements.

Notes Forming Part of the Standalone Financial Statements

for the year ended March 31, 2026

51 Audit Trail feature in Accounting Software

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, no instance of audit trail feature being tampered in respect of accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

52 There were no whistle blower complaints received, other than the below complaints received and closed by the Company during the year.

Received	5
Closed	5

53 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Independent Auditor's Report

To the Members of Metro Brands Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Metro Brands Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture comprising of the consolidated Balance Sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 consolidated financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Revenue recognition *(as described in note 1.B (G) of the consolidated financial statements)*	
Revenue from the sale of goods is recognized when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. In some cases, discounts are offered on further sale of goods by the customers. Hence, provision for such discounts is estimated and accrued.	Our audit procedures included the following: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards. • Evaluated the design and tested the operating effectiveness of internal financial controls with respect to the revenue.

Key audit matters	How our audit addressed the key audit matter
We have determined this to be a key audit matter as a significant part of Company's revenue relates to sales through a number of Company owned outlets. These transactions are of high volume with individually small values which increases the risk of revenue being recognized inaccurately. It is thus essential to ensure whether the transfer of control of goods by the Company to the customer has occurred. Further, the Company makes assumptions and judgements for recording discount accrual. Also, there is a risk that revenue may be overstated due to pressure from the management and Board of Directors who may strive to achieve performance targets.	• For selected samples, performed testing of retail sale transactions during the year by examining the underlying documents to determine the point in time at which the transfer of control of goods occur and agreeing them with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits. • Tested the estimate of discounts accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. • Performed cash counts, on a sample basis, at selected stores and tested whether the cash balances are in agreement with cash receipts report. • 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. • Assessed that the disclosures in the financial statements is in accordance with the accounting standards.
Impairment of Goodwill and Intangible Assets of FILA business *(as described in note 50 of the consolidated financial statements)*	
As disclosed in note 50 of consolidated financial statements, the Company has goodwill amounting to ₹ 40.37 crores and intangible assets amounting to ₹ 99.38 crores as at March 31, 2026 which represents assets acquired on acquisition of FILA business of Metro Athleisure Limited, a wholly-owned subsidiary of the Company. A cash generating unit ("CGU") to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. As disclosed in note 50, impairment of goodwill and intangible assets is determined by assessing the recoverable amount of CGU to which these assets relate. We have identified the annual impairment assessment as key audit matter because of the amounts involved, complexity in assessment, judgmental by nature and further, is based on projected future cash inflows and assumptions such as expected growth rate, discount rate and terminal growth rate.	Our audit procedures included the following: • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation model used in assessment of impairment in the value of goodwill and intangible assets. • Obtained an understanding of the process followed by the management in determining the CGU to which goodwill is allocated and determination of recoverable amounts of CGU. • Compared projections shared by the management in previous year with the actuals for the year ended March 31, 2026. • Tested the arithmetical accuracy of the computation of recoverable amounts of each CGU. • Assessed the disclosures provided by the Company in relation to its annual impairment test in note 50 to consolidated financial statements.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of ₹ 89.92 crores as at March 31, 2026, total revenues of ₹ 72.84 crores, net profit after tax of ₹ 13.54 crores, total comprehensive income of ₹ 13.49 crores, and net cash inflows of ₹ 1.08 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 1.54 crores for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the report of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and joint venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) The other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors (also refer to paragraph (h)(vi) below);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the 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 of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint venture, none of the directors of the Group's companies and joint venture, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report.

   This report, however, does not include a report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Act (the 'Report on internal financial controls') in respect of a joint venture, since based on the corresponding report of other auditor as noted in the 'Other Matter' paragraph and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the said joint venture basis the exemption available to the said joint venture under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to consolidated financial statements;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint venture in its consolidated financial statements – Refer note 25 to the consolidated financial statements;

      ii. The Group and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture, incorporated in India during the year ended March 31, 2026;

      iv. a) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, as disclosed in the note 43(A) to the consolidated 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 Holding Company or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, as disclosed in the note 43(B) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company until the date of the audit report of Holding Company is in accordance with section 123 of the Act.

As stated in note 11(II) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and joint venture did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and the above referred subsidiaries and joint venture as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years (refer note 53 to the financial statements).

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360YGEXLD4579

Place of Signature: Mumbai
Date: May 20, 2026

"Annexure 1" referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Metro Brands Limited ("the Company")

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360YGEXLD4579

Place of Signature: Mumbai
Date: May 20, 2026

"Annexure 2" to the Independent Auditor's Report of even date on the consolidated financial statements of Metro Brands Limited

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

In conjunction with our audit of the consolidated financial statements of Metro Brands Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 26109360YGEXLD4579

Place of Signature: Mumbai
Date: May 20, 2026

Consolidated Balance Sheet

as at March 31, 2026

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	446.68	370.73
(b) Capital work-in-progress	2d	13.63	8.50
(c) Goodwill	50	40.91	40.91
(d) Intangible assets	2c	117.23	122.68
(e) Intangible assets under development	2e	4.59	0.88
(f) Right-of-use assets	2b	1,379.42	1,067.66
(g) Investment accounted for using equity method	3	16.66	15.11
(h) Financial assets			
(i) Investment Others	3	0.01	5.51
(ii) Other Bank Balances	9c	0.11	0.03
(iii) Other financial assets	5	115.10	92.99
(i) Deferred tax assets (net)	24a	42.75	33.98
(j) Non-current tax assets (net)	24b	0.19	4.40
(k) Other non-current assets	6	8.75	2.72
Total non - current assets		**2,186.03**	**1,766.10**
2 Current assets			
(a) Inventories	7	855.95	636.90
(b) Financial assets			
(i) Investments	3	655.94	529.41
(ii) Trade receivables	8	99.82	91.20
(iii) Cash and cash equivalents	9a	32.57	94.84
(iv) Bank Balances other than (iii) above	9b	9.24	6.16
(v) Loans	4	0.96	1.40
(vi) Other financial assets	5	93.89	178.89
(c) Current Tax Assets (net)	24c	-	0.23
(d) Other current assets	6	80.90	29.32
Total current assets		**1,829.27**	**1,568.35**
Total assets (1+2)		**4,015.30**	**3,334.45**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	136.27	136.12
(b) Other equity	11	1,856.88	1,572.99
Equity attributable to the owners of the Company		**1,993.15**	**1,709.11**
Non-Controlling Interests	11	33.55	28.86
Total equity		**2,026.70**	**1,737.97**
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	29	1,354.67	1,054.48
(b) Provisions	13	0.93	0.82
Total non - current liabilities		**1,355.60**	**1,055.30**
3 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	29	215.54	172.60
(ii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	14	58.21	56.73
Total Outstanding dues of creditors other than micro enterprises and small enterprises	14	219.95	169.08
(iii) Other financial liabilities	12	66.91	36.00
(b) Other Current liabilities	15	51.21	96.59
(c) Provisions	13	16.02	10.18
(d) Current tax liabilities (net)	24d	5.16	-
Total current liabilities		**633.00**	**541.18**
Total equity and liabilities (1+2+3)		**4,015.30**	**3,334.45**

See accompanying notes from 1 to 55 which form an integral part of the Consolidated financial statements.

In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I Income			
(a) Revenue from operations	16	2,863.63	2,507.39
(b) Other Income	17	104.22	92.99
Total Income		**2,967.85**	**2,600.38**
II Expenses			
(a) Purchases of stock-in-trade	18a	1,424.17	987.61
(b) Changes in inventories of stock in trade	18b	(219.05)	73.26
(c) Employee benefits expense	20	279.83	245.00
(d) Finance Costs	21	110.94	90.46
(e) Depreciation and amortisation expense	19	311.01	258.03
(f) Other expenses	22	511.24	444.08
Total Expenses		**2,418.14**	**2,098.44**
III Profit before share of profit of a joint venture (I-II)		**549.71**	**501.94**
IV Share of profit of a joint venture (net of tax)		**1.54**	**1.63**
V Profit before tax for the year (III+IV)		**551.25**	**503.57**
VI Tax expense			
(a) Current tax	23a	144.52	140.10
(b) Deferred tax (credit)	23a	(8.77)	(16.01)
(c) Tax in respect of prior year (refer note 51)			
Current tax	23a	(0.39)	6.81
Deferred tax	23a	-	18.21
Total tax expense		**135.36**	**149.11**
VII Profit after tax for the year (V-VI)		**415.89**	**354.46**
VIII Other comprehensive loss for the year		**(0.38)**	**(0.23)**
(a) Items that will not be reclassified to profit or loss			
- Gain/(Loss) on Remeasurements of the defined benefit plans			
(i) Group		(0.22)	0.10
(ii) Share in Joint Venture		-	(0.03)
- Income tax relating to items that will not be reclassified to profit or loss		0.06	(0.02)
(b) Items that will be reclassified to profit or loss			
- (Loss) arising on fair valuation of quoted investments in bonds		(0.22)	(0.28)
- Income tax relating to items that will be reclassified to profit or loss		-	-
IX Total comprehensive income for the year (net of tax) (VII+VIII)		**415.51**	**354.23**
Profit after tax for the year attributable to:			
- Equity holders of the Parent		411.17	350.61
- Non-controlling interests		4.72	3.85
		415.89	**354.46**
Other comprehensive loss for the year attributable to:			
- Equity holders of the Parent		(0.36)	(0.26)
- Non-controlling interests		(0.02)	0.03
		(0.38)	**(0.23)**
Total comprehensive income for the year attributable to:			
- Equity holders of the Parent		410.81	350.35
- Non-controlling interests		4.70	3.88
		415.51	**354.23**
Earning per equity share (face value of ₹ 5 each):			
Basic (₹)	30	15.10	12.89
Diluted (₹)	30	15.06	12.84

See accompanying notes from 1 to 55 which form an integral part of the Consolidated financial statements.

In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Consolidated Statement of Cash Flow

for the year ended March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from Operating Activities		
Profit before tax for the year (before share of profit of joint venture)	**549.71**	**501.94**
Adjustments for:		
Depreciation and Amortisation expense	311.01	258.03
Interest Expense	110.94	90.46
Impairment provision on investments	-	1.33
Gain on termination of lease	(10.08)	(2.93)
Loss on Sale / Discard of Property Plant & Equipment (net)	5.52	2.05
Dividend income from Current Investments in Mutual Funds	(1.21)	(1.05)
Net gain on sale of Investments	(7.42)	(17.84)
Net Gain arising on Investments designated as FVTPL	(21.78)	(2.87)
Interest Income	(50.07)	(61.71)
Liabilities no longer required, written back	(6.66)	(2.27)
Employee's Stock Options Expenses	10.80	11.33
Operating profit before working capital changes	**890.76**	**776.47**
Movement in working capital:		
(Increase)/Decrease in Trade Receivable	(8.62)	(15.53)
(Increase)/Decrease in Other financial assets	(30.74)	(19.41)
(Increase)/Decrease in Other current assets	(51.58)	13.89
(Increase)/Decrease in Inventories	(219.05)	73.26
(Increase)/Decrease in Other non-current assets	(1.73)	(0.79)
Increase/(Decrease) in Trade and other payables	54.80	(35.66)
Increase/(Decrease) in Other current liabilities	(45.38)	41.53
Increase/(Decrease) in Other non-current liabilities	-	(0.32)
Increase/(Decrease) in Other financial liabilities	9.22	(1.96)
Increase/(Decrease) in Provisions	5.73	2.35
	(287.35)	**57.36**
Cash generated from Operations	603.41	833.83
Less: Income taxes paid	(129.62)	(136.30)
Net cash generated from Operating Activities *	**473.79**	**697.53**
Cash flows from Investing Activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(139.11)	(87.40)
Proceeds from Sale / Discard of Property, Plant & Equipment	0.69	1.33
Loan Repaid	0.44	-
Interest Received	51.99	48.76
Investments in Fixed Deposits	(75.00)	(126.02)
Redemption of Fixed Deposits	155.00	59.61
Purchase of Current Investments	(2,302.17)	(2,140.55)
Redemption of Current Investments	2,206.96	2,365.61
Dividend Income from Mutual Funds	1.21	1.05
Net cash from/(used in) Investing Activities	**(99.99)**	**122.39**

Consolidated Statement of Cash Flow

for the year ended March 31, 2026
CIN: L19200MH1977PLC019449

₹ in Crores

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from Financing Activities		
Proceeds from issue of shares	7.19	8.10
Proceeds from Share application money pending allotment	0.23	0.21
Payment of Lease Liabilities	(292.86)	(238.87)
Interest Paid	(0.82)	(0.48)
Payment of Final and Interim Dividend	(149.81)	(541.96)
Net cash used in Financing Activities	**(436.07)**	**(773.00)**
Net increase/(decrease) in cash and cash equivalents	**(62.27)**	**46.92**
Cash and cash equivalents at the beginning of the year	94.84	47.92
Cash and cash equivalents at the end of the year [Refer note 9a]	32.57	94.84

Notes :

1. The Cash Flow Statement has been prepared using the indirect method set out in Ind AS 7 - Statement of Cash Flows.
2. For movement of lease liabilities, refer note 29.

** Includes amount spent in cash towards Corporate Social Responsibility ₹ 9.04 crores (Previous Year ₹ 8.64 crores)*

See accompanying notes from 1 to 55 which form an integral part of the Consolidated financial statements

In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A. Equity share capital (refer note 10)

₹ in Crores

Particulars	As at March 31, 2026 Number of shares	As at March 31, 2026 Amount	As at March 31, 2025 Number of shares	As at March 31, 2025 Amount
Balance as at beginning of the year	**272,249,646**	**136.12**	**271,914,102**	**135.96**
Changes in equity share capital during the year				
Shares allotted on exercise of ESOP	297,092	0.15	335,544	0.16
Balance as at the end of the year	**272,546,738**	**136.27**	**272,249,646**	**136.12**

B. Other Equity (refer note 11)

₹ in Crores

Particulars	Reserves and Surplus: Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Share application money pending allotment	Other Comprehensive Income	Attributable to the owners of the Parent	Non Controlling Interest	Total
Balance as at April 01, 2025	**316.81**	**0.29**	**0.03**	**25.14**	**1,231.45**	**0.21**	**(0.91)**	**1,572.99**	**28.86**	**1,601.85**
Profit for the year	-	-	-	-	411.17	-	-	411.17	4.72	415.89
Other comprehensive loss (net of income tax)	-	-	-	-	(0.14)	-	(0.22)	(0.36)	(0.02)	(0.38)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**411.03**	**-**	**(0.22)**	**410.81**	**4.70**	**415.51**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.95	-	-	(6.95)	-	-	-	-	-	-
Received from Employees on exercise of options	7.25	-	-	-	-	-	-	7.25	-	7.25
Employee stock option plan recognized	-	-	-	10.80	-	-	-	10.80	-	10.80
Dividend paid by subsidiary	-	-	-	-	-	-	-	-	-	-
Shares allotted	-	-	-	-	-	(0.21)	-	(0.21)	-	(0.21)
Share application money pending allotment	-	-	-	-	-	0.22	-	0.22	-	0.22
Payment of Interim dividend	-	-	-	-	(81.74)	-	-	(81.74)	-	(81.74)
Payment of Final dividend	-	-	-	-	(68.07)	-	-	(68.07)	-	(68.07)
Income Tax benefit arising on exercise of stock options	-	-	-	-	4.85	-	-	4.85	-	4.85
Balance as at March 31, 2026	**331.01**	**0.29**	**0.03**	**28.99**	**1,497.52**	**0.22**	**(1.13)**	**1,856.88**	**33.55**	**1,890.43**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

B. Other Equity (refer note 11) (Contd.)

₹ in Crores

Particulars	Reserves and Surplus: Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Share application money pending allotment	Other Comprehensive Income	Attributable to the owners of the Parent	Non Controlling Interest	Total
Balance as at April 01, 2024	**302.49**	**0.29**	**0.03**	**20.28**	**1,405.16**	**0.15**	**(0.63)**	**1,727.76**	**29.38**	**1,757.14**
Profit for the year	-	-	-	-	350.61	-	-	350.61	3.85	354.46
Other comprehensive income (net of income tax)	-	-	-	-	0.02	-	(0.28)	(0.26)	0.03	(0.23)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**350.63**	**-**	**(0.28)**	**350.35**	**3.89**	**354.23**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.47	-	-	(6.47)	-	-	-	-	-	-
Received from Employees on exercise of options	7.85	-	-	-	-	-	-	7.85	-	7.85
Employee stock option plan recognized	-	-	-	11.33	-	-	-	11.33	-	11.33
Dividend paid by subsidiary	-	-	-	-	-	-	-	-	(4.41)	(4.41)
Shares allotted	-	-	-	-	-	(0.15)	-	(0.15)	-	(0.15)
Share issue money accepted	-	-	-	-	-	0.21	-	0.21	-	0.21
Payment of Interim dividend	-	-	-	-	(476.36)	-	-	(476.36)	-	(476.36)
Payment of Final dividend	-	-	-	-	(61.19)	-	-	(61.19)	-	(61.19)
Income Tax benefit arising on exercise of stock options	-	-	-	-	13.21	-	-	13.21	-	13.21
Balance as at March 31, 2025	**316.81**	**0.29**	**0.03**	**25.14**	**1,231.45**	**0.21**	**(0.91)**	**1,572.99**	**28.86**	**1,601.85**

Note : There are no prior period errors during the current and previous year.

See accompanying notes from 1 to 55 which form an integral part of the Consolidated financial statements

In terms of our report of even date attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Firoz Pradhan
Partner
Membership No.109360

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Place: Mumbai
Date : May 20, 2026

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

Note 1.A – CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company and is incorporated under the provision of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The Company and its subsidiary companies (together referred to as 'the Group') are engaged in trading of fashion footwear, bags and accessories operating in the premium and economy category and its Joint Venture (JV) is engaged in manufacturing of shoe care and foot care products.

The addresses of the Company's registered office and principal place of business is given below.

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

The consolidated financial statements for the year ended March 31, 2026, were approved for issue by the Board of Directors on May 20, 2026.

Note 1.B – MATERIAL ACCOUNTING POLICIES

Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standard (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act (as amended from time to time) (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The consolidated financial statements of the Group have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services. The consolidated financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded to the nearest crores except when otherwise indicated. Figures less than rupees 50,000 are represented as "0.00".

A) Basis of consolidation

Subsidiary:

Subsidiary is an entity over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control. Subsidiary is fully consolidated from the date on which control is transferred to the Group and is de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity. Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

Joint Venture:

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investment in a joint venture is accounted for by the Equity Method. On acquisition of the investment in Joint venture, the excess of the Company's share of the net fair values of the Joint venture's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as Capital Reserve. The carrying amount is increased or decreased to recognize the Company's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. Distributions received from the joint venture reduce the carrying amount of the investment. The carrying amount of the investment is tested for impairment at each reporting date.

The unrealised gains/losses resulting from transactions with joint venture are eliminated against the investment to the extent of the Group's interest in the investee. However unrealised losses are eliminated only to the extent that there is no evidence of impairment.

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B) Principles of consolidation

The consolidated financial statements relate to the Group and its Joint Venture. The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the subsidiary companies and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2026.

ii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income, and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses (net of deferred tax), unless cost cannot be recovered.

iii. The excess of cost to the Group of its investment in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made are made/acquired, is recognised in the financial statement as 'Goodwill' being an asset in the consolidated financial statements. Similarly, where the share of equity in the subsidiary companies as on the dates of investment/ acquisition is more than cost of the investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

C) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise because of the acquisition are accounted in accordance with Ind AS 12- Income tax.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the

Notes Forming Part of the Consolidated Financial Statements

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combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it is carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

D) Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period up to twelve months as its operating cycle.

E) Fair valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

F) Going Concern

The consolidated financial statements of the Group have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

G) Revenue Recognition

i) Sale of goods and services:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Group expects to receive in exchange

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for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Payment of the transaction price is due immediately when the customer purchases the goods and takes delivery in store.

Sale of Gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for the purchase of products and products sold is qualified for revenue recognition.

The Group operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Group's retail stores. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer to acquire goods or services in the future.

The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their relative stand-alone selling price. The Group recognises the consideration allocated to loyalty points, when the loyalty points are redeemed. When estimating the stand-alone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the liability balance are charged against revenue.

ii) Sales through E-commerce channels:

The Group through marketplace and its own website sells its products to customers. Revenue from sale of goods through the website is recognised when control of the products has transferred, being when the products are delivered to the customer. For e-commerce sales, it is the Group's policy to sell its products to the end customer with a right of return within 15 to 60 days. The Group uses the expected value method to estimate the sales return. Based on historical return data of each product, expected return percentage is determined. These percentages are applied to derive the sales return.

iii) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

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

H) Property, plant and equipment and intangible assets

Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use 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 meets the recognition criteria.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their carrying value and fair value less cost to sell and are disclosed separately. Any expected loss is recognised immediately in the Consolidated statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Consolidated statement of Profit and Loss.

On transition to Ind AS the Group had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition. This exemption has been used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets.

Asset wise useful lives of assets are as follows.

- Buildings – 60 years
- Furniture and fittings – 10 years
- Machinery and equipment - 10 years
- Motor Vehicles – 8 years
- Computers – 3 years

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These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset: Leasehold improvements are amortised on straight line basis over the lease term or useful life (Not exceeding 10 years) whichever is lower.

Intangible Assets:

Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

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

- Trademark – 10-20 years
- Copy Rights – 10 years
- Computer Software – 5 years
- Commercial Rights - 10 years
- Brand- 10 years
- Non-compete- 5 years

Capital work in progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost and attributable interest.

Intangible Assets under development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use. The expenditure incurred only in the development stage of intangible assets is capitalised.

I) Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and Intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Goodwill arising on Business Combination is carried at cost less any accumulated impairment losses. Goodwill is annually tested for impairment. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed.

For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

A cash-generating unit is the smallest identifiable group of assets that generate cash inflows that are largely independent of cash inflows from other assets or group of assets. Identification of an asset's cash-generating unit involves judgement. If recoverable amount cannot be determined for an individual asset, an entity identifies the lowest aggregation of assets that generate largely independent cash inflows. The FILA brand and each store is treated as a separate Cash Generating Unit (CGU) for impairment assessment purposes, as it represents a distinct group of assets that generates largely independent cash inflows and is monitored by management for performance evaluation.

On disposal of the CGU or group of CGUs, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss.

Recoverable amount is higher of fair value less cost of disposal and value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. 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. The management uses detailed budgets and forecast calculations in assessing the value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated statement of Profit or Loss.

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

J) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax authorities), freight inward and other related incidental expenses incurred in bringing the inventory to its present condition and location.

K) Taxation

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax:

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Consolidated statement of Profit and Loss because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with the Income Tax Act, 1961.

Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base 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, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities

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simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

L) Employee Benefits

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

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of non-accumulating compensated absences, the cost of short-term compensated absences is accounted when the absences occur.

Long-term employee benefits:

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liabilities recognised in respect of other long term employee benefits are measured at present value of the estimated future cash flow expected to be made by the Group in respect of services provided by employees up to the reporting date.

i) Defined Contribution Plan:

The Provident Fund is a defined contribution scheme. The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary. The Group's contribution is recognised as an expense in the Consolidated statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined Benefit Plan:

The Group has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated at each reporting period by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments, return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined benefit cost is split into:

- Service Cost, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or Income
- Remeasurements

The Group recognises service cost within profit and loss as employee benefit expenses. Net interest expense or income is recognised within finance costs.

M) Foreign Currencies

i) Initial Recognition

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate 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-

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monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

N) Employees Stock Option Plan (ESOP)

In respect of Employee Stock Options, the Group measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Group's estimate of equity instruments that will eventually vest.

O) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent liabilities are disclosed when there is:

- A possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or reliable estimate of the amount cannot be made.

P) Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated statement of Profit and Loss.

Financial assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Group classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Consolidated statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and

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interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI).

When the financial asset (other than debt instruments) is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. For debt instruments measured at FVTOCI, upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

(ii) Derecognition of Financial Assets:

A financial asset is derecognised only when:

- the Group has transferred the contractual rights to receive cash flows of the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities:

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables including bank overdrafts.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

(iii) Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when the Group's obligation are

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discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated statement of Profit or Loss.

Q) Equity vs. financial liability classification

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. The Group classifies a financial instrument issued by it as equity instrument only if below conditions are met:

- The instrument includes no contractual obligation to deliver cash or another financial asset to another entity. Nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.
- If the instrument will, or may, be settled in the Group's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Group to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liability and accounted for using the accounting policy applicable to the Financial Liabilities.

R) Leases

The Group's lease asset classes primarily consist of leases for Showroom Premise and Warehouse. The Group assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i) the contract involves the use of an identified asset

ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

S) Dividend

The Group recognises a liability to pay dividend to owners of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders.

T) 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

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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.

U) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

For the purpose of consolidated statement of cash flow, cash and cash equivalents consists of cash and short-term deposits.

V) 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.

W) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Group is presented.

X) Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Note 1.C – SIGNIFICANT ACCOUNTING ESTIMATED AND JUDGEMENTS

Preparing the consolidated statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving critical estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

Estimation of revenue arising from loyalty points

Customers are entitled to loyalty points which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed.

Loyalty points having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such loyalty points is allocated between the goods supplied and the loyalty points granted. The consideration allocated to the loyalty points is measured by reference to fair value from the standpoint of the holder and revenue is deferred. The Group at the end of each reporting period estimates the number of points redeemed and that it expects will be further redeemed, based on empirical data of redemption / lapses, and revenue is accordingly recognised.

Provision for discount and sales return

The Group provides for discount and sales return based on channel wise trend of previous years. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario and based on the management's assessment of market conditions.

Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various

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factors, including prevailing sales prices of inventory item and losses associated with obsolete / slow-moving inventory items.

Leases- Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using market interest rates and is required to make certain entity-specific estimates pertaining to its credit rating.

Determining the lease term of the contracts with renewal and termination options- Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the right-of-use asset).

Useful lives of property, plant and equipment and intangible assets

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

The Group at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in profit or loss.

Impairment of Right to use assets and Property, Plant and Equipment

The Group is carrying out the assessment of impairment on annual basis for Right to Use of Assets (ROU) and Property, Plant and Equipment (PPE). To assess the same, the Group has defined each store as a separate Cash Generating Unit (CGU). The store shall be tested for impairment whenever there is an indication that the store may be impaired by comparing the store's carrying amount with its recoverable amount.

The Group has computed "Value in Use" based on expected future cashflow over the balance lease term considering store wise budgets and other internal and external factors like growth etc. for CGU where there are indicators of impairment.

Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived basis management projections for balance life of the CGU.

These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for budgets. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use are disclosed in Note 50.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35.4 details how the Group determines whether there has -been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Fair value measurements and valuation process

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

Estimation of Defined Benefit Obligation

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Share based payment

The Group has a share option scheme for certain employees of the Group. In accordance with the terms of the share option scheme, as approved by shareholders at the general meeting. Employees with a pre-defined grade may be granted options to purchase equity shares. Each share option converts into one equity share of the Group on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disability and death of grantee's the legal heir must exercise the shares within six months from the date of such event. d)Three months from the date of retirement. The share options vests based on a pre-determined vesting schedule from the date of grant.

2a. Property, Plant and Equipment:

₹ in Crores

Particulars	Buildings	Leasehold Improvements (Showrooms and Warehouses)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at April 01, 2024	**125.01**	**224.97**	**102.08**	**56.33**	**8.47**	**16.26**	**533.12**
Additions	7.86	34.17	24.03	9.48	-	1.99	77.53
Disposals	(1.51)	(12.33)	(3.89)	(3.10)	(0.59)	(1.20)	(22.62)
Balance as at March 31, 2025	**131.36**	**246.81**	**122.22**	**62.71**	**7.88**	**17.05**	**588.03**
Additions	1.02	57.73	46.45	27.91	1.35	8.00	142.46
Disposals	-	(15.24)	(6.08)	(2.96)	-	(1.91)	(26.19)
Balance as at March 31, 2026	**132.38**	**289.30**	**162.59**	**87.66**	**9.23**	**23.14**	**704.30**
II. Accumulated depreciation							
Balance as at April 01, 2024	**17.77**	**95.51**	**32.67**	**22.83**	**3.23**	**10.94**	**182.94**
Depreciation expense for the year	3.27	28.60	11.90	6.08	0.92	2.72	53.49
Eliminated on disposal of assets	(0.55)	(11.40)	(3.20)	(2.40)	(0.56)	(1.02)	(19.13)
Balance as at March 31, 2025	**20.49**	**112.71**	**41.37**	**26.51**	**3.59**	**12.64**	**217.30**
Depreciation expense for the year	3.30	32.13	14.03	6.99	0.97	2.90	60.32
Eliminated on disposal of assets	-	(10.88)	(5.07)	(2.24)	-	(1.81)	(20.00)
Balance as at March 31, 2026	**23.79**	**133.95**	**50.33**	**31.26**	**4.56**	**13.73**	**257.62**
Net carrying amount (I-II)							
Balance as at March 31, 2026	**108.59**	**155.35**	**112.26**	**56.40**	**4.67**	**9.41**	**446.68**
Balance as at March 31, 2025	**110.87**	**134.10**	**80.85**	**36.20**	**4.30**	**4.41**	**370.73**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

2b. Right-of-Use Assets (Showrooms and Warehouses)

₹ in Crores

Particulars	Total
I. Cost	
Balance as at April 01, 2024	**1,424.26**
Additions	311.81
Deletion	(43.60)
Balance as at March 31, 2025	**1,692.47**
Additions	587.89
Deletion	(75.65)
Balance as at March 31, 2026	**2,204.71**
II. Accumulated Depreciation	
Balance as at April 01, 2024	**453.92**
Depreciation expense for the year	196.06
Eliminated on disposal of assets	(25.17)
Balance as at March 31, 2025	**624.81**
Depreciation expense for the year	240.06
Eliminated on disposal of assets	(39.58)
Balance as at March 31, 2026	**825.29**
Net carrying amount (I-II)	
Balance as at March 31, 2026	**1,379.42**
Balance as at March 31, 2025	**1,067.66**

2c. Intangible Assets (Represents other than Internally generated intangible assets):

₹ in Crores

Particulars	Copyrights	Commercial Rights	Trademark and License	Computer Software	Brand	Non-Compete	Total
I. Cost							
Balance as at April 01, 2024	**0.43**	**0.41**	**120.39**	**15.13**	**4.18**	**2.40**	**142.94**
Additions	0.46	-	0.11	9.72	-	-	10.29
Balance as at March 31, 2025	**0.89**	**0.41**	**120.50**	**24.85**	**4.18**	**2.40**	**153.23**
Additions	-	-	-	5.18	-	-	5.18
Balance as at March 31, 2026	**0.89**	**0.41**	**120.50**	**30.03**	**4.18**	**2.40**	**158.41**
II. Accumulated amortisation							
Balance as at April 01, 2024	**0.26**	**0.41**	**10.25**	**10.39**	**0.14**	**0.62**	**22.07**
Amortization expense for the year	0.04	-	6.01	1.51	0.42	0.50	8.48
Balance as at March 31, 2025	**0.30**	**0.41**	**16.26**	**11.90**	**0.56**	**1.12**	**30.55**
Amortization expense for the year	0.06	-	6.00	3.64	0.43	0.50	10.63
Balance as at March 31, 2026	**0.36**	**0.41**	**22.26**	**15.54**	**0.99**	**1.62**	**41.18**
Net carrying amount (I-II)							
Balance as at March 31, 2026	**0.53**	**-**	**98.24**	**14.49**	**3.19**	**0.78**	**117.23**
Balance as at March 31, 2025	**0.59**	**-**	**104.24**	**12.95**	**3.62**	**1.28**	**122.68**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

2d. Capital work-in-progress (CWIP) :

₹ in Crores

As at March 31, 2026	**13.63**
As at March 31, 2025	**8.50**

Movement of Capital Work in Progress: (CWIP)

₹ in Crores

Particulars	Total
Balance as at April 01, 2024	**7.29**
Additions	78.74
Capitalizations	(77.53)
Balance as at March 31, 2025	**8.50**
Additions	147.59
Capitalizations	(142.46)
Balance as at March 31, 2026	**13.63**

Capital work-in-progress ageing schedule

As at March 31, 2026

₹ in Crores

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	11.59	2.04	-	-	13.63
Projects temporarily suspended	-	-	-	-	-
Total	**11.59**	**2.04**	**-**	**-**	**13.63**

As at March 31, 2025

₹ in Crores

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.38	0.12	-	-	8.50
Projects temporarily suspended	-	-	-	-	-
Total	**8.38**	**0.12**	**-**	**-**	**8.50**

Notes :

a. As on March 31, 2026 and March 31, 2025, the Group does not have any Capital work-in-progress overdue for completion or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

b. For all periods, Capital Work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipments, design fee, transportation cost etc.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

2e. Intangible assets under development

₹ in Crores

As at March 31, 2026	**4.59**
As at March 31, 2025	**0.88**

Movement of Intangible assets under development:

₹ in Crores

Particulars	Total
Balance as at April 01, 2024	**2.01**
Additions	9.16
Capitalizations	(10.29)
Balance as at March 31, 2025	**0.88**
Additions	8.89
Capitalizations	(5.18)
Balance as at March 31, 2026	**4.59**

Intangible assets under development ageing schedule

As at March 31, 2026

₹ in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.30	0.01	0.28	-	4.59
Projects temporarily suspended	-	-	-	-	-
Total	**4.30**	**0.01**	**0.28**	**-**	**4.59**

As at March 31, 2025

₹ in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.52	0.36	-	-	0.88
Projects temporarily suspended	-	-	-	-	-
Total	**0.52**	**0.36**	**-**	**-**	**0.88**

Notes:

a. As on March 31, 2026 and March 31, 2025, the Group does not have any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

b. Intangible assets under development comprises of computer softwares under development

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

3. Investments

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
A. Investments accounted for by using equity method						
Unquoted Investments (at cost) - fully paid up						
In Equity instrument of Joint Venture						
Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	6,860,000	-	5.21	6,860,000	-	5.21
Add : Share in accumulated Profits/ Reserves	-	-	11.45	-	-	9.90
Investment in Joint Venture (A)	**6,860,000**	**-**	**16.66**	**6,860,000**	**-**	**15.11**
B. Investments carried at amortised cost						
Unquoted Investments						
Investments in Commercial Papers						
IIFL Finance Limited	-	49.33	-	-	-	-
Vivriti Capital Limited	-	107.93	-	-	-	-
Adani Enterprises Ltd.	-	-	-	-	118.33	-
Piramal Enterprises Ltd.	-	-	-	-	110.09	-
Fixed Deposit Certificates						
Bajaj Finance Ltd	-	6.50	-	-	42.50	5.50
C. Investments carried at FVOCI						
Quoted Investments						
Investments in Bonds						
7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50	5.15	-	50	5.23	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285	1.54	-	14,285	1.56	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50	5.32	-	50	5.45	-
D. Investments carried at FVTPL						
Unquoted Investments						
In equity instrument (Others)						
Equity shares in Saraswat Co-operative Bank Limited	2	-	0.01	2	-	0.01
Preference shares in Thaely Private Limited	287	-	1.33	287	-	1.33
Less: Provision for impairment			(1.33)			(1.33)

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for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
Kotak Equity Arbitrage Fund- Direct Plan Growth	4,963,647	20.86	-	4,963,647	19.53	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427	7.15	-	25,427	6.76	-
Nippon India Liquid Fund - Debt	2,580	1.72	-	1,693	1.05	-
Aditya Birla Sunlife Liquid Fund - Growth - Direct Plan	1,013,913	45.12	-	-	-	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	1,366,973	79.97	-	56,397	3.08	-
Aditya Birla Sunlife Money Manager Fund - Growth - Direct Plan	-	-	-	369,499	13.59	-
Face Value of ₹ 1,000.00 each						
Kotak Money Market Fund -Direct Plan - Growth	41,500	19.69	-	41,500	18.45	-
Invesco India Arbitrage Fund- Direct Plan Growth	3,214,395	11.65	-	3,214,395	10.90	-
Axis Liquid Fund - Direct Growth	147,465	45.19	-	151,046	43.56	-
Aditya Birla Sunlife Overnight Fund - Direct Plan Growth	247,580	35.30	-	207,857	28.08	-
Nippon India Abritrage Fund - Direct Plan	3,843,375	11.56	-	3,843,375	10.84	-
Axis Liquid Fund - Direct Growth	2,536	0.77	-	3,474	1.00	-
Quoted Investments						
Non Convertible Debentures						
Face Value of ₹ 1,000.00 each						
8.75% ADANI ENTERPRISE LIMITED	500,000	50.03	-	-	-	-
Face Value of ₹ 1,00,000.00 each						
8.75% PIRAMAL FINANCE LIMITED	2,500	25.02	-	-	-	-
8.45% ADANI AIRPORT HOLDINGS LIMITED	2,500	24.89	-	-	-	-
Investments in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000	15.49	-	100,000	14.74	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	-	-	-	99,995	12.88	-

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Quantity	Amount Current	Amount Non-Current	Quantity	Amount Current	Amount Non-Current
Investments in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	4,994,221	45.10	-	3,753,953	28.57	-
India Grid	2,455,107	40.66	-	2,355,622	33.22	-
Investment Others [B + C + D]		**655.94**	**0.01**		**529.41**	**5.51**
Total (Aggregate value of unquoted investments)		**442.74**	**16.67**		**427.76**	**20.62**
Total (Aggregate Book value of quoted investments)		**213.20**	**-**		**101.65**	**-**
Total [E = A + B + C + D]		**655.94**	**16.67**		**529.41**	**20.62**

Note : Axis Banking & PSU debt fund direct Growth and Aditya Birla Sunlife Savings fund are pledged with Bank against overdraft facility.

4. Loans (Unsecured, considered good) - Current (measured at amortised cost)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to employees	0.56	0.78
Loans to Selling agents, Retail agents, Supervisors and others	0.40	0.62
Total	**0.96**	**1.40**

Note 1 : The Group do not have loans which are credit impaired or where there is significant increase in credit risk.

Note 2 : The Group has not granted any loans or advances in the nature of loans to promoters, directors and KMPs.

5. Other financial assets

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits (Unsecured)						
Considered good	15.40	112.39	127.79	12.76	92.94	105.70
Credit Impaired	-	-	-	0.08	-	0.08
	15.40	**112.39**	**127.79**	**12.84**	**92.94**	**105.78**
Less: Allowance for expected credit loss	-	-	-	(0.08)	-	(0.08)
	15.40	**112.39**	**127.79**	**12.76**	**92.94**	**105.70**
Interest accrued on deposits with banks and investments	3.49	-	3.49	11.13	0.03	11.16
Deposits with Banks	75.00	2.71	77.71	155.00	0.02	155.02
Total	**93.89**	**115.10**	**208.99**	**178.89**	**92.99**	**271.88**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

The movement in allowance for expected credit loss is as follows -

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**0.08**	**0.16**
Additions during the year	-	-
Utilisations during the year	(0.08)	(0.08)
Closing Balance	**-**	**0.08**

6. Other assets

₹ in Crores

	Particulars	As at March 31, 2026			As at March 31, 2025		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than Capital Advances						
	Considered good- Unsecured	37.10	-	37.10	11.29	-	11.29
	Credit Impaired	-	-	-	0.69	-	0.69
		37.10	**-**	**37.10**	**11.98**	**-**	**11.98**
	Less: Allowance for expected credit loss	-	-	-	(0.69)	-	(0.69)
		37.10	**-**	**37.10**	**11.29**	**-**	**11.29**
(ii)	Capital advances	-	5.22	5.22	-	0.92	0.92
(iii)	Balances with government authorities	34.37	2.26	36.63	10.68	-	10.68
(iv)	Prepayments	4.27	0.20	4.47	2.98	0.32	3.30
(v)	Prepaid Rent	0.03	0.54	0.57	0.13	0.96	1.09
(vi)	Others (Receivables from Showroom Managers, Retail Agent etc.)						
	Considered good- Unsecured	5.13	-	5.13	4.02	-	4.02
	Credit Impaired	-	-	-	0.11	-	0.11
		5.13	**-**	**5.13**	**4.13**	**-**	**4.13**
	Less: Allowance for expected credit loss	-	-	-	(0.11)	-	(0.11)
		5.13	**-**	**5.13**	**4.02**	**-**	**4.02**
(vii)	Amounts paid under protest	-	0.53	0.53	0.22	0.52	0.74
Total		**80.90**	**8.75**	**89.65**	**29.32**	**2.72**	**32.04**

The movement in allowance for expected credit loss is as follows -

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**0.80**	**0.81**
Additions during the year	-	-
Utilisations during the year	(0.80)	(0.01)
Closing Balance	**-**	**0.80**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

7. Inventories (At lower of Cost or Net realisable value)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Stock-in-trade	855.95	636.90
Total	**855.95**	**636.90**
Included above, goods-in-transit:	19.20	6.52

Note :

During the year ended March 31, 2026, an expense reversal of ₹ 2.72 crores was recognised in respect of inventories measured at net realisable value, as compared to an expense of ₹ 3.48 crores for the year ended March 31, 2025.

8. Trade receivables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Trade receivable considered good - Unsecured	99.82	91.20
(b) Trade receivable - credit impaired	8.19	18.39
	108.01	**109.59**
Less: Allowance for expected credit loss	(8.19)	(18.39)
Total	**99.82**	**91.20**

Movement of Allowance for expected credit loss is as follows -

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**18.39**	**18.40**
Additions during the year	-	-
Utilisations during the year	(10.20)	(0.01)
Closing Balance	**8.19**	**18.39**

Trade Receivables Ageing Schedule

As at March 31, 2026

₹ in Crores

Particulars	Outstanding for following periods from due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	27.53	70.45	1.21	0.58	0.05	-	99.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	1.11	6.41	0.67	8.19
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	**27.53**	**70.45**	**1.21**	**1.69**	**6.46**	**0.67**	**108.01**

As at March 31, 2025

₹ in Crores

Particulars	Outstanding for following periods from due date						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	15.67	70.52	4.32	0.46	0.23	-	91.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-		-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.79	6.61	6.99	18.39
(iv) Disputed Trade Receivables– considered good	-	-		-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-		-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-		-	-	-	-
Total	**15.67**	**70.52**	**4.32**	**5.25**	**6.84**	**6.99**	**109.59**

Notes :

(a) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(b) Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

(c) There are no unbilled dues for the reporting years.

(d) For explanations on the Group's credit risk management refer to note 35.4.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

9a. Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	Balances with Banks		
	- In Current accounts	28.67	84.33
	- Deposits with original maturity of less than 3 months	-	-
(b)	Cash on hand	0.57	0.64
(c)	Cash at showrooms	3.33	9.87
Total		**32.57**	**94.84**

9b. Bank Balances other than Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	In earmarked accounts		
	Deposits with Banks held as margin money or security against guarantees and other commitments	0.06	0.14
(b)	Deposits with Banks	9.18	6.02
Total		**9.24**	**6.16**

9c. Other Bank Balances - Non Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits with Banks held as margin money or security against guarantees and other commitments	0.11	0.03
Total	**0.11**	**0.03**

10. Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	150.00	300,000,000	150.00
Total		**150.00**		**150.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	272,546,738	136.27	272,249,646	136.12
Total		**136.27**		**136.12**

10.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

₹ in Crores

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ of ₹ 5/- each (March 31, 2025 ₹ 5/- each)	272,249,646	136.12	271,914,102	135.96
Shared allotted on exercise of ESOPs	297,092	0.15	335,544	0.16
Balance as at the end of the year	**272,546,738**	**136.27**	**272,249,646**	**136.12**

10.2 Details of shares held by each shareholder holding more than 5% shares:

₹ in Crores

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	155,752,520	57.15%	155,752,520	57.21%
Rekha Jhunjhunwala**	39,333,600	14.43%	39,333,600	14.45%
Rafique A. Malik***	18,576,000	6.82%	18,576,000	6.82%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600	28.05%	76,447,600	28.08%
(b) As Trustee for the benefit of Rafique Malik Family Trust	75,370,920	27.65%	75,370,920	27.68%
**Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206	4.79%	13,051,206	4.79%
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.79%	13,051,206	4.79%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.79%	13,051,188	4.79%
***Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%

10.3 Shareholding of Promoters

As at March 31, 2026

Promoter name	Number of shares at beginning of the year	Change during the year	Number of shares at end of the year	% of total Shares	% change during the year
Farah Malik Bhanji*	155,752,520	-	155,752,520	57.15%	(0.06%)
Alisha Rafique Malik	7,898,000	-	7,898,000	2.90%	0.00%
Rafique A. Malik**	2,700,000	-	2,700,000	0.99%	0.00%
Total	**166,350,520**	**-**	**166,350,520**	**61.04%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600	-	76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920	-	75,367,920		

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

As at March 31, 2025

Promoter name	Number of shares at beginning of the year	Change during the year	Number of shares at end of the year	% of total Shares	% change during the year
Farah Malik Bhanji*	156,939,520	(1,187,000)	155,752,520	57.21%	(0.51%)
Alisha Rafique Malik	9,088,000	(1,190,000)	7,898,000	2.90%	(0.44%)
Rafique A. Malik**	2,700,000	-	2,700,000	0.99%	0.00%
Total	**168,727,520**	**(2,377,000)**	**166,350,520**	**61.10%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600	-	76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920	3,000	75,370,920		

*** The number of shares held & percentage of holding represents the shares held in the individual capacity. It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not part of Promoter or Promoter group.*

Note : Promoter here means promoter as defined in the Companies Act, 2013, as amended

10.4 Employees Stock Option Scheme

During the year the Company has granted 2,52,282 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended March 31, 2025 : 1,62,817 under ESOP 2008 Scheme). 3,00,751 (Previous year ended March 31, 2025 : 3,35,217) Employee Stock Options have been exercised during the year.

10.5 Rights, preference and restriction attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

11. Other equity

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings					
Balance as at April 01, 2025	**316.81**	**0.29**	**0.03**	**25.14**	**1,231.45**	**0.21**	**(0.91)**	**1,572.99**	**28.86**	**1,601.85**
Profit for the year	-	-	-	-	411.17	-	-	411.17	4.72	415.89
Other comprehensive loss (net of income tax)	-	-	-	-	(0.14)	-	(0.22)	(0.36)	(0.02)	(0.38)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**411.03**	**-**	**(0.22)**	**410.81**	**4.70**	**415.51**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.95	-	-	(6.95)	-	-	-	-	-	-
Received from Employees on exercise of options	7.25	-	-	-	-	-	-	7.25	-	7.25
Employee stock option plan recognized	-	-	-	10.80	-	-	-	10.80	-	10.80
Dividend paid by subsidiary	-	-	-	-	-	-	-	-	-	-
Shares alloted	-	-	-	-	-	(0.21)	-	(0.21)	-	(0.21)
Share issue money accepted	-	-	-	-	-	0.22	-	0.22	-	0.22
Payment of Interim dividend	-	-	-	-	(81.74)	-	-	(81.74)	-	(81.74)
Payment of Final dividend	-	-	-	-	(68.07)	-	-	(68.07)	-	(68.07)
Income Tax benefit arising on exercise of stock options	-	-	-	-	4.85	-	-	4.85	-	4.85
Balance as at March 31, 2026	**331.01**	**0.29**	**0.03**	**28.99**	**1,497.52**	**0.22**	**(1.13)**	**1,856.88**	**33.55**	**1,890.43**

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings					
Balance as at April 01, 2024	**302.49**	**0.29**	**0.03**	**20.28**	**1,405.16**	**0.15**	**(0.63)**	**1,727.76**	**29.38**	**1,757.14**
Profit for the year	-	-	-	-	350.61	-	-	350.61	3.85	354.46
Other comprehensive income (net of income tax)	-	-	-	-	0.02	-	(0.28)	(0.26)	0.03	(0.23)
Total comprehensive income for the year					**350.63**	**-**	**(0.28)**	**350.35**	**3.88**	**354.23**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	6.47	-	-	(6.47)	-	-	-	-	-	-
Received from Employees on exercise of options	7.85	-	-	-	-	-	-	7.85	-	7.85
Employee stock option plan recognized	-	-	-	11.33	-	-	-	11.33	-	11.33

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings					
Dividend paid by subsidiary	-	-	-	-	-	-	-	-	(4.41)	(4.41)
Shares alloted	-	-	-	-	-	(0.15)	-	(0.15)	-	(0.15)
Share issue money accepted	-	-	-	-	-	0.21	-	0.21	-	0.21
Payment of Interim dividend	-	-	-	-	(476.36)	-	-	(476.36)	-	(476.36)
Payment of Final dividend	-	-	-	-	(61.19)	-	-	(61.19)	-	(61.19)
Income Tax benefit arising on exercise of stock options	-	-	-		13.21	-	-	13.21	-	13.21
Balance as at March 31, 2025	**316.81**	**0.29**	**0.03**	**25.14**	**1,231.45**	**0.21**	**(0.91)**	**1,572.99**	**28.86**	**1,601.85**

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securities Premium is created when shares are issued at premium . The Group can use this reserve in accordance with the provisions of the Act.

Capital Reserve

Capital Reserve was created on acquisition of Subsidiary. The distribution of the amount will be subject to the restrictions placed by the Act.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Comprehensive Income represents change in the value of investments accounted through FVOCI.

Retained Earning:

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain/(loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

II. Dividend on Equity Shares

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Final dividend for the year ended March 31, 2025 of ₹ 2.50/- (March 31, 2024 of ₹ 2.25/-) per fully paid up share	68.07	61.19
Interim dividend for the year ended March 31, 2026 of ₹ 3.00/- (March 31, 2025 of ₹ 17.50/-) per fully paid up share	81.74	476.36
Total	**149.81**	**537.55**

The Board of Directors at its meeting held on May 20, 2026 has recommended payment of final dividend of ₹ 3.00 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

12. Other financial liabilities - Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit - Franchisee	0.80	1.20
Retention Money Payable (Selling Agent, Supervisors, City and Regional Managers and Others)	16.50	14.08
Payable on acquisition of Property, Plant & Equipment	37.04	15.35
Deposit received from Vendors	12.50	5.21
Unpaid Dividend (refer note below)	0.07	0.16
Total	**66.91**	**36.00**

Note : There is no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2026 (Previous year : Nil).

13. Provisions

₹ in Crores

Particulars	As at March 31, 2026			As at March 31, 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for Warranty (refer note below)	0.73	-	0.73	1.02	-	1.02
Gratuity (Refer Note 26)	7.07	0.92	7.99	3.09	0.82	3.91
Compensated Absences (Refer Note 26)	8.22	0.01	8.23	6.07	-	6.07
Total	**16.02**	**0.93**	**16.95**	**10.18**	**0.82**	**11.00**

Note:

Provision for warranty represents the undiscounted value of the management's best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Group. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

The movement in warranty provision is as under

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**1.02**	**0.86**
Add: Provision made during the year	-	0.16
Less: Provision utilised during the year	(0.29)	-
Closing Balance	**0.73**	**1.02**

14. Trade payables - Current

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 36)	58.21	56.73
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	219.95	169.08
Total	**278.16**	**225.81**

Trade payables Ageing Schedule

As at March 31, 2026

₹ in Crores

Particulars	Outstanding for the following periods from the due date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed - MSME	55.01	3.19	0.01	-	-	58.21
ii) Undisputed - Others	108.63	80.60	1.09	0.83	1.03	192.18
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	0.32	-	-	-	0.32
v) Unbilled dues	27.45	-	-	-	-	27.45
Total	**191.09**	**84.11**	**1.10**	**0.83**	**1.03**	**278.16**

As at March 31, 2025

₹ in Crores

Particulars	Outstanding for the following periods from the due date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed - MSME	52.98	3.42	0.04	0.29	-	56.73
ii) Undisputed - Others	88.65	42.89	7.68	0.68	0.31	140.21
iii) Disputed Dues - MSME	-	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-	-
v) Unbilled dues	28.87	-	-	-	-	28.87
Total	**170.50**	**46.31**	**7.72**	**0.97**	**0.31**	**225.81**

Notes:-

(a) Trade payables are non-interest bearing and are normally settled on 60-day terms

(b) For terms and conditions with related parties, refer to Note 27.

(c) For explanations on the Group's liquidity risk management refer to note 35.4.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

15. Other Current liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advances received from customers	2.78	2.94
Deferred revenue arising from customer loyalty program	11.89	10.54
Statutory dues payable	14.10	67.02
Employee benefits and other dues payable	22.44	16.09
Total	**51.21**	**96.59**

16. Revenue from operations

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories (refer note below)	2,863.05	2,506.61
(b) Other operating revenues		
- Shoe Repair Income	0.58	0.78
Total	**2,863.63**	**2,507.39**

Notes :

A) Timing of revenue recognition

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Goods transferred at a point in time	2,863.63	2,507.39
Total	**2,863.63**	**2,507.39**

B) Reconciliation of revenue recognized in the statement of profit and loss with contracted price

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Products (Traded goods)		
Revenue as per contracted price	3,289.13	2,947.10
Less : GST	426.08	440.49
Sale of Products (Traded goods) (Net of GST)	**2,863.05**	**2,506.61**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

17. Other Income

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	**Interest Income:**		
	Income earned on financial assets carried at amortised cost :		
	Interest on Bank deposits	9.58	19.99
	Interest on Other loans and advances	0.72	0.37
	Interest on Security deposit	5.75	5.06
	Interest on Commercial Papers	24.93	30.49
	Income earned on financial assets carried at FVOCI :		
	Interest Income from Tax Free Bonds	0.90	0.68
	Income earned on financial assets carried at FVTPL :		
	Interest Income from Investments in Infrastructure Investment Trust (InvITs)	6.28	5.12
	Interest on Non Convertible Debenture	1.92	-
		50.08	**61.71**
(b)	**Dividend Income:**		
	Dividend income from Investments in InvITs designated at FVTPL	1.21	1.05
		1.21	**1.05**
(c)	**Other non-operating income :**		
	Net gain on sale of investments	7.42	17.84
	Net fair value gain arising on current investments designated at FVTPL	21.78	2.87
	Net gain on foreign currency transactions and translation	0.15	1.03
	Gain on termination of leases	10.08	2.93
	Cash Discounts	3.21	1.23
	Miscellaneous Income	3.63	2.06
	Liabilities no longer required, written back	6.66	2.27
		52.93	**30.23**
Total		**104.22**	**92.99**

18a. Purchases

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock-in-Trade (Footwear, Bags & Accessories)	1,361.41	946.20
Packing Materials	62.76	41.41
Total	**1,424.17**	**987.61**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

18b. Changes in Inventories of Stock-In-Trade

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the end of the year: (including goods in transit)		
Stock-in-trade	855.95	636.90
Inventories at the beginning of the year: (including goods in transit)		
Stock-in-trade	636.90	710.15
Changes in Inventories of Stock-In-Trade	**(219.05)**	**73.26**

19. Depreciation and amortization expense

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Depreciation of Property, Plant and Equipment	60.32	53.49
(b)	Depreciation of Right-of-use assets	240.06	196.06
(c)	Amortization of Intangible assets	10.63	8.48
Total		**311.01**	**258.03**

20. Employee benefits expense

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Salaries and wages	236.08	210.98
(b)	Contribution to provident and other funds (Refer Note 26)	26.07	18.02
(c)	Staff welfare expenses	6.88	4.67
(d)	Employee's Stock Options Expenses (Refer Note 31)	10.80	11.33
Total		**279.83**	**245.00**

21. Finance costs

₹ in Crores

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Interest Expenses	0.82	0.48
(c)	Interest on lease liabilities (refer note 29)	110.12	89.98
Total		**110.94**	**90.46**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

22. Other expenses

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	45.47	40.95
Sublicence fees	13.74	4.27
Rent (Refer Note 29)	49.24	53.64
Rates and taxes	2.85	2.43
Insurance	3.59	3.78
Repairs and maintenance - Machinery and Equipment	2.03	1.61
Repairs and maintenance - Others	24.88	21.94
Advertisement & Sales promotion	100.32	70.69
Commission on sales	107.83	97.72
Commission on Credit Card Sales	10.34	9.87
Freight Charges	36.51	39.26
Maintenance & Other Charges - Showrooms	45.72	39.39
Shoe Repair Expenses	1.02	1.45
Communication	2.84	2.71
Travelling and conveyance	19.14	14.13
Royalty	1.74	-
Legal and professional fees	10.97	11.25
Payments to auditors (Refer Note 22.1)	0.64	0.59
Donation	0.01	-
Loss on Sale/ discard of Property, plant and equipment (net)	5.52	2.05
Directors' Sitting fees and commission	1.23	0.92
Expenditure incurred on Corporate Social Responsibility (Refer Note 32)	9.04	8.64
Impairment provision on investments	-	1.33
Miscellaneous Expenses	16.57	15.46
Total	**511.24**	**444.08**

22.1 Payments to auditors:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
To statutory auditor		
(i) For Audit	0.34	0.32
(ii) For Limited Review	0.18	0.17
(iii) For Taxation Matters	0.02	0.01
Total	**0.54**	**0.50**

Note:

1. Excludes ₹ 0.10 crores (March 31, 2025 - ₹ 0.09 crores) to auditors of subsidiary companies.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

23. Current Tax and Deferred Tax

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

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax:		
In respect of current year	144.52	140.10
In respect of prior year (refer note 51)	(0.39)	6.81
Deferred tax:		
In respect of current year	(8.77)	(16.01)
In respect of prior year (refer note 51)	-	18.21
Total	**135.36**	**149.11**

(b) Income tax recognised in other comprehensive income

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	0.04	-
Deferred tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	0.02	(0.02)
Total	**0.06**	**(0.02)**

(c) Amounts recognised directly in Equity

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax impact arising on exercise of stock options	4.85	13.21
Total	**4.85**	**13.21**

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

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax and share of Joint venture	**549.71**	**501.94**
Income tax expense at 25.168%	138.35	126.33
Effect of income that is exempt from taxation	(2.82)	(3.30)
Effect of expenses that are non-deductible in determining taxable profit	1.12	2.16
Effect due to differential tax rate	(0.90)	(1.10)
Tax of prior years (refer note 51)	(0.39)	25.02
Income tax expense recognised in Statement of Profit and Loss	**135.36**	**149.11**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

(e) Deferred tax

₹ in Crores

Particulars	For the year ended March 31, 2026				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comprehensive Income	Prior year Adjustment	Closing Balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Property, plant and equipment	(19.77)	3.87	-	-	(15.90)
Allowance for doubtful trade receivables, advances and deposits	2.77	(2.77)	-	-	-
Fair valuation on investments	(0.15)	(3.78)	-	-	(3.93)
Compensated absences	1.45	0.54	-	-	1.99
Unrealised profits on unsold inventories	0.32	0.01	-	-	0.33
Provision for Warranty	0.05	-	-	-	0.05
Provision for impairment of investments	0.34	-	-	-	0.34
MSME Payment due but not made	(0.01)	-	-	-	(0.01)
Provision for expenses	0.79	0.01	-	-	0.80
Right of use asset	(268.72)	(78.45)	-	-	(347.17)
Lease liabilities	308.85	86.34	-	-	395.19
Discounting on security deposit	8.06	3.00	-	-	11.06
Net deferred tax asset/(liabilities)	**33.98**	**8.77**	**-**	**-**	**42.75**

₹ in Crores

Particulars	For the year ended March 31, 2025				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comprehensive Income	Prior year Adjustment	Closing Balance
Tax effect of items constituting deferred tax assets/(liabilities)					
Property, plant and equipment	(1.82)	2.76	-	(20.72)	(19.77)
Allowance for doubtful trade receivables, advances and deposits	0.27	-	-	2.51	2.77
Fair valuation on investments	(3.58)	3.43	-	-	(0.15)
Compensated absences	1.30	0.22	(0.02)	-	1.45
Unrealised profits on unsold inventories	0.23	0.09	-	-	0.32
Provision for Warranty	0.05	-	-	-	0.05
Provision for impairment of investments	-	0.34	-	-	0.34
MSME Payment due but not made	0.16	(0.17)	-	-	(0.01)
Provision for expenses	0.93	(0.14)	-	-	0.79
Right of use asset	(244.23)	(24.49)	-	-	(268.72)
Lease liabilities	276.47	32.38	-	-	308.85
Discounting on security deposit	6.47	1.59	-	-	8.06
Net deferred tax asset/(liabilities)	**36.25**	**16.01**	**(0.02)**	**(18.21)**	**33.98**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

24. (a) Deferred tax (net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	409.76	322.63
Deferred tax liabilities	(367.01)	(288.65)
Total	**42.75**	**33.98**

(b) Non-current tax assets (net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Income tax (net of provision for taxation)	0.19	4.40
Total	**0.19**	**4.40**

(c) Current tax assets (net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax assets (net of advance tax)	-	0.23
Total	**-**	**0.23**

(d) Current tax liabilities (net)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for taxation (net of advance tax)	5.16	-
Total	**5.16**	**-**

25 Contingent Liabilities and commitments (to the extent not provided for)

₹ in crores

Nature of Dues	As at March 31, 2026	As at March 31, 2025	Period	Forum where dispute is pending
(i) Contingent Liabilities				
Disputed indirect and direct tax matters				
Service Tax	0.11	0.11	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax	0.00	0.00	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.01	0.01	F.Y. 2009-2010	Assistant Commissioner (Appeals-II), Ernakulam
	0.01	0.01	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in crores

Nature of Dues	As at March 31, 2026	As at March 31, 2025	Period	Forum where dispute is pending
	0.03	0.04	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.76	0.76	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals), Bihar
Goods and Services Tax	0.02	0.02	F.Y. 2019-2020	Commercial Tax Officer, Vigilance - 43, Bangalore
	0.01	0.01	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department, Kerala
	0.47	0.47	F.Y. 2017-2018	Assistant Commissioner of State Tax, Bihar
	-	0.01	F.Y. 2018-2019	Assistant Commissioner of State Tax, Bihar
	0.57	0.57	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit, West Bengal
	0.16	0.16	F.Y. 2018-2019	Commissioner of Appeal, Central Sales Tax, Cochin
	0.43	0.43	F.Y. 2018-2019	Deputy Commissioner, Central GST-DIV-VI, Ahmedabad south
	0.40	0.40	F.Y. 2018-2019	Assistant Commissioner Large Tax Payer Unit, West Bengal
	0.08	0.08	F.Y. 2019-2020	Assistant Commissioner Large Tax Payer Unit, West Bengal
	0.52	0.52	F.Y. 2018-2019	Deputy Commissioner, Rajasthan
	0.32	0.18	F.Y. 2019-2020	Sales Tax Officer class II, Delhi
	0.19	0.19	F.Y. 2020-2021	Commercial Tax Officer, Chandigarh
	0.12	-	F.Y. 2017-2018	Sales Tax Officer Class II, Delhi
Profession Tax	-	1.28	F.Y. 2020-2021	Assistant Commissioner of Sales Tax Profession
Legal Matter	0.54	0.54	F.Y. 2022-2023	District and Sessions Court, Ludhiana
Income Tax	0.30	0.29	A.Y. 2017-2018	Commissioner of Income Tax Appeal
ii) Commitments				
a) Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided for :	5.05	2.42		
Bank Guarantee against fixed deposits	-	0.01		
Corporate Guarantees issued by wholly owned subsidiary	0.01	0.01		

Future cash flow in respect of contingent liability matters depend on the final outcome of judgement/decisions pending at various forums/authorities.

The estimated amount of contracts remaining to be executed on capital account represents amount to be incurred for store fitout.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

26 Employee Benefits:

I. Defined Contribution Plan

The Group offers its employees defined contribution plan in the form of Provident Fund and Employee's State Insurance Corporation (ESIC). Both the employees and the Group pay pre determined contributions into the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Group recognised Provident Fund ₹ 11.57 Crores (Previous year ₹ 10.26 Crores) and ESIC ₹ 3.45 Crores (Previous year ₹ 2.99 Crores) in the Statement of Profit and Loss.

II. Defined Benefit Plan - Gratuity

A For the Company and wholly owned subsidiary

The Company and wholly owned subsidiary has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company and wholly owned subsidiary or as per the Payment of the Gratuity Act, 1972 whichever is higher. Vesting occurs upon completion of five years of service.

There is no cap on the amount of gratuity paid to an eligible employee at retirement, or death while in employment or on termination of the employment.

a) The principal actuarial risks to which the Company and wholly owned subsidiary is exposed are investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company and wholly owned subsidiary to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company and wholly owned subsidiary has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company and wholly owned subsidiary - Gratuity (As per Actuarial Valuation)

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	3.26	2.69
2. Past Service cost	2.67	-
3. Net Interest Cost on the net defined benefit liability	0.65	0.04
Total	**6.58**	**2.73**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	0.36	(0.23)
2. Actuarial losses on account of :		
- change in financial assumptions	(0.62)	0.81
- experience variance	0.42	(0.59)
Total	**0.16**	**(0.01)**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
III. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	28.76	24.03
2. Fair value of plan assets	22.02	21.22
3. Net (liability) as at end of the year	**(6.74)**	**(2.81)**
IV. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	24.03	21.18
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	3.26	2.69
- Past Service cost	2.67	-
- Interest Cost	1.53	1.51
3. Remeasurement gains/(losses)		
- change in financial assumptions	(0.62)	0.81
- experience variance (i.e. Actual experience vs assumptions)	0.43	(0.59)
4. Benefits Paid	(2.54)	(1.57)
5. Present Value of Defined Benefit Obligation at the end of the year	**28.76**	**24.03**
V. Change in Fair Value of Assets during the year		
1. Plan assets at the beginning of the year	21.22	20.66
2. Investment Income	0.88	1.48
3. Return on plan assets (excluding amounts recognised in net interest expense)	(0.36)	0.17
4. Contribution by employer	2.82	0.46
5. Benefits paid	(2.54)	(1.55)
6. Fair value of Plan assets at the end of the year	**22.02**	**21.22**
VI. Fair value of plan assets at the end of the reporting period for each category are as follows:		
- Government of India Securities (Central & State)	8.33	5.40
- High quality corporate bonds (Including public sector bonds)	6.69	5.86
- Equity shares, Equity mutual funds and ETF	3.74	8.92
- Others	3.26	1.04
Total	**22.02**	**21.22**
VII. Actuarial assumptions		
1. Discount Rate [HO]	6.90%-7.27%	6.50%-6.73%
Discount Rate [Sales Staff]	6.50%-7.27%	6.50%-6.73%
2. Salary Escalation Rate [HO]	6.00%-9.00%	6.00%-9.00%
Salary Escalation Rate [Sales Staff]	6.00%-9.00%	6.00%-9.00%
3. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
4. Retirement Age	60 Years	60 Years
5. In-service Mortality	IALM 2012-14	IALM 2012-14

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Rate (-/ + 1%)		
- Decrease by 1%	1.54	1.35
- Increase by 1%	(1.41)	(1.23)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(1.39)	(1.21)
- Increase by 1%	1.50	1.31
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	2.87	2.46
- Increase by 50%	(1.63)	(1.36)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	0.00

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d) Expected contribution for the next year:

The Group expects to contribute ₹ 6.74 crores in respect of the gratuity plans during the next financial year.

e) Expected future benefits payable:

₹ in Crores

Maturity Profile of Defined Benefit Obligation	As at March 31, 2026	As at March 31, 2025
1 year	4.78	4.11
2 to 5 years	16.25	12.47
6 to 10 years	12.26	10.54
More than 10 years	9.91	8.88

B For the Subsidiary-Unfunded

i) Assets and Liability (Balance Sheet Position)

₹ in Crores

Maturity Profile of Defined Benefit Obligation	As at March 31, 2026	As at March 31, 2025
Present Value of Obligation	1.25	1.10
Fair Value of Plan Assets	-	-
Net (Liability) as at end of the year	**(1.25)**	**(1.10)**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

ii) Expenses recognised during the year

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
In Income Statement	0.36	0.54
In Other Comprehensive Income	0.06	(0.09)
Total Expenses Recognized during the year	**0.42**	**0.45**

iii) Changes in the Present Value of Obligation

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present Value of Obligation as at the beginning of the year	1.10	0.71
Current Service Cost	0.23	0.29
Interest Expense or Cost	0.06	0.25
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	-
change in financial assumptions	0.00	0.11
experience variance (i.e. Actual experiences vs assumptions)	0.06	(0.20)
Benefits paid	(0.27)	(0.06)
Past Service Cost	0.07	-
Present Value of Obligation as at the end of the year	**1.25**	**1.10**

iv) Classification of Present Value of Obligation

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Liability (Short term)	0.33	0.28
Non-Current Liability (Long term)	0.92	0.82
Present Value of Obligation	**1.25**	**1.10**

v) Expenses Recognised in the Income Statement1

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Service Cost	0.23	0.29
Past Service Cost	0.07	-
Interest Expense or Cost	0.06	0.25
Present Value of Obligation as at the end of the year	**0.36**	**0.54**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

vi) Other Comprehensive Income

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gains) / losses		
change in demographic assumptions	-	-
change in financial assumptions	0.00	0.11
experience variance (i.e. Actual experience vs assumptions)	0.06	(0.20)
Components of defined benefit costs recognised in other comprehensive income	**0.06**	**(0.09)**

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate (per annum)	6.50% p.a.	6.55% 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, 2026	For the year ended March 31, 2025
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.

ix Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the year, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation (Base)	**1.25**	**1.10**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Rate (- / + 1%)		
- Decrease by 1 %	0.07	0.05
- Increase by 1 %	(0.06)	(0.04)
Salary Growth Rate (- / + 1%)		
- Decrease by 1 %	(0.04)	(0.03)
- Increase by 1 %	0.04	0.03
Attrition Rate (- / + 50% of attrition rates)		
- Decrease by 1 %	0.00	0.02
- Increase by 1 %	(0.02)	(0.04)
Mortality Rate (- / + 10% of mortality rates)		
- Decrease by 1 %	0.00	0.00
- Increase by 1 %	(0.00)	(0.00)

III. Defined Benefit Plan - Compensated absences

The Company and wholly owned subsidiary has the policy for Compensated absences which allows the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2026.

The principal assumptions used in determining compensated absences obligations for the Company and wholly owned subsidiary is shown below:

a) Details of Defined Benefit Plan of the Company and wholly owned subsidiary - Compensated Absences (As per Actuarial Valuation)

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	8.22	6.07
2. Fair value of plan assets	-	-
3. Net (liability) as at the end of the year	**(8.22)**	**(6.07)**
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	6.07	5.37
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	3.17	1.50
- Past Service Cost	0.72	-
3. Benefits Paid	(1.74)	(0.80)
4. Present Value of Defined Benefit Obligation at the end of the year	**8.22**	**6.07**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

b) Actuarial Assumptions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1. Discount Rate [HO]	6.90%	6.50%
Discount Rate [Sales Staff]	6.50%	6.50%
2. Salary escalation rate	9.00%	9.00%
3. Retirement age	60 years	60 years
4. In service mortality	100% of IALM 2012-14	100% of IALM 2012-14
5. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
6. Rate of Leave Availment	0.000%	0.00%

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount Rate (-/ + 1%)		
- Decrease by 1%	0.49	0.25
- Increase by 1%	(0.44)	(0.23)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(0.43)	(0.23)
- Increase by 1%	0.47	0.24
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	0.66	0.41
- Increase by 50%	(0.27)	(0.17)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

27 Related party disclosures :

Note 34 provides the information about the Group's structure. The following note provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

List of Related Parties :

I. Names of Related Party and description of relationship:

a)	Joint Venture	:	M/s. M.V. Shoe Care Private Limited
b)	Other Related Parties with whom transactions have taken place during the year :		
i.	Key Management Personnel (KMP)	:	1. Mr. Rafique Malik – Chairman (having significant influence)
			2. Mrs. Farah Malik Bhanji – Managing Director (having significant influence)

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

			3. Ms. Alisha Malik (Whole time Director) (w.e.f 1st September 2024)
			4. Mr. Mohammed Iqbal hasanally Dossani (Whole time Director)
			5. Mr. Nissan Joseph - Chief Executive Officer
			6. Mr. Kaushal Parekh - Chief Financial Officer
			7. Ms. Deepa Sood - Company Secretary
			8. Ms. Aruna Advani (upto 5th February 2025)
			9. Mr. Manoj Kumar Maheshwari (upto 5th February 2025)
			10. Mr. Arvind Kumar Singhal
			11. Mr. Vikas Khemani
			12. Mr. Srikanth Velamakanni (upto 24th March 2026)
			13. Mr. Mithun Sancheti
			14. Mr. Bhaskar Bhat (w.e.f 6th February 2025)
			15. Ms. Radhika Dilip Piramal (w.e.f 6th February 2025)
ii.	Relatives of Key Management Personnel	:	1. Mrs. Sabina Malik Hadi
			2. Ms. Zarah Rafique Malik
			3. Ms. Alisha Malik (upto 31st August 2024)
			4. Mrs. Zia Malik Lalji
			5. Mrs. Rukshana Kurbanali Javeri
			6. Mrs. Mumtaz Jaffer
			7. Mr. Suleiman Sadruddin Bhanji
			8. Mrs. Aziza Malik
iii.	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	:	1. Design Matrix Interiors LLP
			2. Design Matrix Associated Private Limited
			3. Design Matrix Interiors Partner's LLP
			4. Fractal Analytics Limited
			5. Ad-tech Systems
			6. Metro Shoes
			7. Metro Family Holdings
			8. Aziza Malik Family Trust
			9. Rafique Malik Family Trust
			10. Zia Malik Family Trust
			11. Zarah Malik Family Trust
			12. Sabina Malik Family Trust
			13. Farah Malik Family Trust

II. Related Party Transactions during the year:

₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)						
Mr. Rafique Malik	Mar-26				1.81	
	Mar-25				2.01	
Mrs. Aziza Malik	Mar-26					2.58
	Mar-25					2.69

Notes Forming Part of the Consolidated Financial Statements

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₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Commission/rent in respect of retail agency agreements for showroom						
Metro Shoes	Mar-26		2.48			
	Mar-25		2.42			
Remuneration						
Mr. Rafique Malik	Mar-26				6.85	
	Mar-25				7.56	
Mrs. Farah Malik Bhanji	Mar-26				3.86	
	Mar-25				3.65	
Mrs. Aziza Malik	Mar-26					2.66
	Mar-25					2.50
Mr. Kaushal Parekh	Mar-26				4.76	
	Mar-25				1.94	
Mr. Nissan Joseph	Mar-26				8.84	
	Mar-25				15.86	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-26				0.71	
	Mar-25				0.65	
Ms. Deepa Sood	Mar-26				1.40	
	Mar-25				1.27	
Ms. Alisha R. Malik	Mar-26				1.63	
	Mar-25				0.69	0.79
Directors' Sitting Fees and Commission						
Ms. Aruna Advani	Mar-26				0.13	
	Mar-25				0.17	
Mr. Manoj Kumar Maheshwari	Mar-26				0.05	
	Mar-25				0.15	
Mr. Arvind Kumar Singhal	Mar-26				0.12	
	Mar-25				0.15	
Mr. Srikanth Velamakanni	Mar-26				0.15	
	Mar-25				0.15	
Mr. Vikas Khemani	Mar-26				0.20	
	Mar-25				0.17	
Mr. Mithun Sancheti	Mar-26				0.16	
	Mar-25				0.08	
Mr. Bhaskar Bhat	Mar-26				0.23	
	Mar-25				0.03	
Ms. Radhika Dilip Piramal	Mar-26				0.19	
	Mar-25				0.02	

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₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Retainership Fees						
Mrs. Mumtaz Jaffer	Mar-26					0.39
	Mar-25					0.36
Interim Dividend						
Mr. Rafique Malik	Mar-26				0.81	
	Mar-25				4.73	
Mrs. Farah Malik Bhanji	Mar-26				1.18	
	Mar-25				6.88	
Mrs. Aziza Malik	Mar-26					0.41
	Mar-25					2.36
Ms. Alisha R. Malik	Mar-26				2.37	
	Mar-25				13.82	
Mrs. Sabina Malik Hadi	Mar-26					1.18
	Mar-25					6.89
Ms. Zarah Rafique Malik	Mar-26					1.18
	Mar-25					6.89
Mrs. Zia Malik Lalji	Mar-26					1.18
	Mar-25					6.89
Mrs. Rukshana Kurbanali Javeri	Mar-26					0.07
	Mar-25					0.42
Mrs. Mumtaz Jaffer	Mar-26					0.01
	Mar-25					0.04
Mr. Kaushal Parekh	Mar-26				0.03	
	Mar-25				0.15	
Aziza Malik Family Trust	Mar-26		22.93			
	Mar-25		133.78			
Rafique Malik Family Trust	Mar-26		22.61			
	Mar-25		131.90			
Zia Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Zarah Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Sabina Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Farah Malik Family Trust	Mar-26		1.19			
	Mar-25		6.95			
Mr. Suleiman Sadruddin Bhanji	Mar-26					0.01
	Mar-25					0.06

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₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mr. Nissan Joseph	Mar-26				-	
	Mar-25				0.21	
Ms. Deepa Sood	Mar-26				0.00	
	Mar-25				0.01	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-26				0.00	
	Mar-25				0.02	
Final Dividend						
Mr. Rafique Malik	Mar-26				0.68	
	Mar-25				0.61	
Mrs. Farah Malik Bhanji	Mar-26				0.98	
	Mar-25				1.15	
Mrs. Aziza Malik	Mar-26					0.34
	Mar-25					0.30
Mr. Nissan Joseph	Mar-26				0.03	
	Mar-25				-	
Mr. Kaushal Parekh	Mar-26				0.02	
	Mar-25				0.02	
Ms. Alisha R. Malik	Mar-26				1.97	
	Mar-25				2.04	
Mrs. Sabina Malik Hadi	Mar-26					0.98
	Mar-25					1.15
Ms. Zarah Rafique Malik	Mar-26					0.98
	Mar-25					1.15
Mrs. Zia Malik Lalji	Mar-26					0.98
	Mar-25					1.15
Mrs. Rukshana Kurbanali Javeri	Mar-26					0.06
	Mar-25					0.05
Mrs. Mumtaz Jaffer	Mar-26					0.01
	Mar-25					0.01
Aziza Malik Family Trust	Mar-26		19.11			
	Mar-25		17.20			
Rafique Malik Family Trust	Mar-26		18.84			
	Mar-25		16.96			
Zia Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Zarah Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			

Notes Forming Part of the Consolidated Financial Statements

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₹ in crores

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Sabina Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Farah Malik Family Trust	Mar-26		0.99			
	Mar-25		0.89			
Ms. Deepa Sood	Mar-26				0.00	
	Mar-25				0.00	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-26				0.00	
	Mar-25				0.00	
Mr. Suleiman Sadruddin Bhanji	Mar-26					0.01
	Mar-25					0.01
Professional Fees (capital cost)						
Design Matrix Interiors LLP	Mar-26		0.07			
	Mar-25		1.95			
Design Matrix Interiors Partner's LLP	Mar-26		2.19			
	Mar-25		-			
Design Matrix Associated Private Limited	Mar-26		0.09			
	Mar-25		0.24			
Fractal Analytics Limited	Mar-26		4.97			
	Mar-25		5.38			
Purchase of IT assets (capital cost)						
Ad-tech Systems	Mar-26		0.31			
	Mar-25		-			
Purchases of Stock-in-Trade (net of taxes)						
M.V. Shoe Care Private Limited	Mar-26			24.32		
	Mar-25			20.16		

III. Outstanding receivables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit for Rent		
Mr. Rafique Malik (BM8 Store - Colaba, Mumbai)	-	0.13

Notes Forming Part of the Consolidated Financial Statements

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IV. Outstanding payables

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(0.10)	(0.19)
Mrs. Aziza Malik	(0.14)	(0.21)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(0.05)	(0.02)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(0.26)	(0.27)
Professional Fees (capital cost)		
Design Matrix Interiors LLP#	0.05	(0.37)
Design Matrix Interiors Partner's LLP	(0.37)	-
Design Matrix Associated Private Limited	(0.02)	(0.02)
Fractal Analytics Limited	-	(2.24)
Purchases of Stock-in-trade		
M/s. M.V. Shoe Care Private Limited	(3.73)	(2.93)

 # net of advances

Related party disclosures

Terms and conditions of transactions with related parties

(a) Rent/commission (compensation in respect of concession agreements for showrooms)

The Group has taken Alkapuri (Vadodara), Linking Road (Mumbai), SK Open Mall (Nashik), Colaba Causeway (Mumbai) and CG Road (Ahmedabad) on lease from the promoter, a relative of the promoter and an entity over which the promoter of the Group have control, for a period of 10 to 15 years. The lease agreement requires the Group to pay variable lease rental on a monthly basis. The lease payments are at arm's length price and in the ordinary course of business. The lease agreement does not contain any escalation clauses. At the end of lease term, the lease agreement is renewable based on mutual negotiation and agreement.

(b) Remuneration to Key Management Personnel and Relatives of Key Management Personnel

The amounts disclosed in the table above are the amounts recognised as an expense during the financial year related to Key Management Personnel and Relatives of Key Management Personnel. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of Key Management Personnel and Relatives of Key Management Personnel. Such expenses are measured based on an actuarial valuation done for Group as a whole. Hence, amounts attributable to Key Management Personnel and Relatives of Key Management Personnel are not separately determinable.

(c) Key Management Personnel's interest in Employee Stock Option Plan 2008

Equity settled share options held by the executive members of the Board of Directors and other key managerial personnel of the Group under the Employee Stock Option Plan 2008 to purchase equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Number outstanding	
			31-Mar-26	31-Mar-25
01-09-2021	01-09-2031	228.00	187,625	277,128
01-09-2022	01-09-2032	228.00	36,290	36,290
01-10-2022	01-10-2032	391.46	16,650	22,704

Notes Forming Part of the Consolidated Financial Statements

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No share options have been granted to the non-executive members of the Board of Directors under this scheme. Refer to note 31 for further details on the scheme.

(d) Sitting Fees to Independent Directors

Sitting Fees is paid to directors including non-executive and independent directors for attending meetings of the Board and various Committees constituted by the Board at rates approved by the Board and Shareholders of the Group. The Sitting Fees is payable to each Director after conclusion of each meeting.

(e) Retainership Fees to Relatives to Key Management Personnel

The Group had paid retainership fees to Relatives to Key Management Personnel against designing of hand bags for the brand. The Group mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to similar services received by the Group from other non-related parties.

(f) Professional Fees (capital cost)

The Group received professional services (capital costs) for its showrooms and business operations from enterprises in which Key Management Personnel / Relatives of Key Management Personnel are able to control / exercise significant influence on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Group from other non-related parties.

(g) Purchases of IT assets

The Group procures IT assets (capital costs) from enterprises in which Relatives of Key Management Personnel are able to control / exercise significant influence on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees the purchase price and payment terms with the related parties by benchmarking the same against comparable transactions with non-related parties entered into by the counter-party. Such procurements generally include payment terms requiring the Group to make payment within 45 to 60 days from the date of invoice.

(h) Purchases of goods and related balances

For terms of transaction

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party. Such purchases generally include payment terms requiring the Group to make payment within 45 to 60 days from the date of invoice.

For terms of balance

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 45 to 60 days from the reporting date (March 31, 2025: 45 to 60 days from the reporting date).

(i) Others

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to related parties

2) There are no guarantees provided or received for any related party receivables or payables.

28 Segment Reporting:

The Group's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category, which in terms of Ind AS 108 - 'Operating Segments' constitutes a single reporting segment. Further, there is no geographical segment to be reported since all the operations are undertaken in India. The Group is not reliant on revenue from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

29 Leases

Right-of-use Asset (Showrooms and Warehouses)

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,067.66**	**970.34**
Additions during the year	587.89	311.81
Disposal during the year	(36.07)	(18.43)
Depreciation expense for the year	(240.06)	(196.06)
Balance at the end of the year	**1,379.42**	**1,067.66**

Lease Liabilities

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**1,227.08**	**1,098.43**
Additions during the year	571.72	301.54
Disposal during the year	(45.85)	(24.00)
Interest expense for the year	110.12	89.98
Lease payment during the year	(292.86)	(238.87)
Balance at the end of the year	**1,570.21**	**1,227.08**

Maturity analysis - contractual undiscounted cash flows

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Less than 1 year	323.30	258.56
1 - 5 Year	1,082.11	872.12
More than 5 years	651.47	468.44
Total undiscounted lease liabilities at the end of the year	**2,056.88**	**1,599.12**
Lease Liabilities included in Financial statement as at the end of the year	**1,570.21**	**1,227.08**
Current	215.54	172.60
Non-Current	1,354.67	1,054.48

Amounts Recognised in Statement of Profit & Loss

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	110.12	89.98
Depreciation of Right-of-use assets	240.06	196.06
Expenses relating to short term leases/Variable lease payments	49.24	53.64
Total	**399.42**	**339.68**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

Amounts Recognised in Statement of Cash Flows

₹ in Crores

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Cash outflow for Leases	(292.86)	(238.87)

Notes :

a. The Group has showrooms and warehouses under lease which comprises Buildings.

b. The Group incurred ₹ 49.24 Crores for the year ended March 31, 2026 (Previous year ₹ 53.64 Crores) towards expenses relating to short-term leases and leases of variable lease payment. The total cash outflow for leases is ₹ 292.86 Crores for the year ended March 31, 2026 (Previous year ₹ 238.87 Crores) excluding cash outflow of short-term leases and leases of variable lease payment. Interest on lease liabilities is ₹ 110.12 Crores for the year ended March 31, 2026 (Previous year ₹ 89.98 Crores).

c. The effective interest rate for lease liabilities is 7.31% (March 31, 2025: 7.34%).

d. The future lease payment for non-cancellable lease contracts (which have not commenced) as at March 31, 2026 ₹ 55.58 Crores (March 31, 2025: ₹ 111.26 Crores).

30 Basic and Diluted Earnings per Share is calculated as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax as per Statement of Profit and Loss attributable to equity share holders (₹ in Crores)	411.17	350.61
Weighted average number of Equity Shares:		
- Basic	272,366,143	272,025,712
Add: Effect of Potential Equity Shares on employees stock options outstanding	675,552	929,230
- Diluted	273,041,695	272,954,942
Earnings per Share (in ₹)		
- Basic (₹)	15.10	12.89
- Diluted (₹)	15.06	12.84

31 Employee Stock Option Plan 2008 (ESOP – 2008):

The Company had granted stock options (options) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the Company as approved by the shareholders in the 31st Annual General Meeting held on 11th September, 2008.

The said plan was further amended vide shareholders resolution dated August 5th, 2021.

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

a) The particulars of the Options distributed under ESOP 2008 are as follows:

Particulars	ESOP
Eligibility	A permanent employee or a director of the Company (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Company.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period	The options granted will vest over the term determined by the Nomination and Remuneration Committee in graded manner. Further, in case of disability and death all the unvested options will vest immediately from the date of such event.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following : (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disability and death of grantee's the legal heir must exercise the shares within six months from the date of such event (d) Three months from the date of retirement.
Exercise Price	The exercise price per option is to be determined by the Board / NRC at the time of grant but the fair market value should not be less than the face value of a share on the grant date.
Face value	Equity Shares of face value ₹ 5/- each (Previous year ₹ 5/- each)

b) The particulars of number of options granted, exercised and lapsed for Employees Stock Option plan 2008 (ESOP 2008) are as follows:

Summary of stock options

₹ in Crores

Particulars	Number of options as at March 31,2026	Number of options as at March 31,2025
Options outstanding at the beginning of the year	**1,249,079**	**1,504,532**
Options granted during the year*	252,282	162,817
Options exercised during the year	(300,751)	(335,217)
Options forfeited / lapsed during the year	(194,735)	(83,053)
Options outstanding at the end of the year	**1,005,875**	**1,249,079**

*Options granted during the year ended:

March 31, 2026		March 31, 2025	
July 01, 2024	14,511	April 01, 2024	8,372
October 01, 2024	4,499	July 01, 2024	35,912
April 01, 2025	41,443	October 01, 2024	56,683
July 01, 2025	150,308	October 01, 2024	732
October 01, 2025	9,638	January 01 ,2025	61,118
January 01, 2026	31,883		
Total	**252,282**		**162,817**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

Information in respect of options outstanding as at March 31, 2026

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228.00	374,200	0.50
₹ 228.00	79,759	1.50
₹ 228.00	41,809	0.50
₹ 391.46	16,650	1.56
₹ 228.00	6,162	0.84
₹ 409.70	22,005	2.01
₹ 403.10	53,284	2.25
₹ 228.00	14,000	1.42
₹ 228.00	6,684	2.50
₹ 488.25	8,535	2.51
₹ 544.80	52,525	2.76
₹ 588.25	8,372	3.01
₹ 563.36	49,626	3.25
₹ 649.95	58,565	3.51
₹ 228.00	488	1.50
₹ 608.55	21,310	3.76
₹ 585.76	41,443	4.01
₹ 571.59	108,937	4.25
₹ 599.18	9,638	4.51
₹ 577.79	31,883	4.76

c) During the year the Company has granted 2,52,282 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The fair value of the options granted during the year are as follows:

The fair value of the options granted during the year are as follows:

Number of options - 14,511, Vesting period - 5 years

Grant date- July 01, 2024	Fair value per option (₹)
July 01, 2025	725.06
July 01, 2026	752.98
July 01, 2027	779.42
July 01, 2028	806.64
July 01, 2029	829.26

Number of options - 4,499, Vesting period - 5 years

Grant date- October 01, 2024	Fair value per option (₹)
October 01, 2025	693.10
October 01, 2026	725.38
October 01, 2027	756.00
October 01, 2028	788.68
October 01, 2029	815.38

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for the year ended March 31, 2026

Number of options - 41,443, Vesting period - 5 years

Grant date- April 01, 2025	Fair value per option (₹)
April 01, 2026	472.46
April 01, 2027	493.30
April 01, 2028	515.74
April 01, 2029	535.84
April 01, 2030	557.27

Number of options - 1,50,308, Vesting period - 5 years

Grant date- July 01, 2025	Fair value per option (₹)
July 01, 2026	614.42
July 01, 2027	632.13
July 01, 2028	651.13
July 01, 2029	669.15
July 01, 2030	690.09

Number of options - 9,638, Vesting period - 5 years

Grant date- October 01, 2025	Fair value per option (₹)
October 01, 2026	731.10
October 01, 2027	750.97
October 01, 2028	772.04
October 01, 2029	791.81
October 01, 2030	813.90

Number of options - 31,883, Vesting period - 5 years

Grant date- January 01, 2026	Fair value per option (₹)
January 01, 2027	667.25
January 01, 2028	686.30
January 01, 2029	705.96
January 01, 2030	725.74
January 01, 2031	747.47

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : July 01, 2024 (5 years vesting)	
Risk free interest rate (%)	6.62% - 6.69%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	19.78% - 27.46%
Expected dividend yield (%)	0.41%
Exercise price (₹)	563.36
Stock price (₹)	1,228.50

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for the year ended March 31, 2026

Grant dated : October 01, 2024 (5 years vesting)	
Risk free interest rate (%)	6.33% - 6.40%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	19.01% - 27.03%
Expected dividend yield (%)	0.39%
Exercise price (₹)	649.95
Stock price (₹)	1,275.65

Grant dated : April 01, 2025 (5 years vesting)	
Risk free interest rate (%)	6.15% - 6.20%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	21.82% - 27.17%
Expected dividend yield (%)	1.22%
Exercise price (₹)	585.76
Stock price (₹)	1,013.30

Grant dated : July 01, 2025 (5 years vesting)	
Risk free interest rate (%)	5.52% - 5.91%
Expected life / Time to Maturity (years)	2.00 - 4.00
Expected Volatility	21.63% - 27.05%
Expected dividend yield (%)	1.07%
Exercise price (₹)	571.59
Stock price (₹)	1,150.20

Grant dated : October 01, 2025 (5 years vesting)	
Risk free interest rate (%)	5.62% - 6.12%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	22.97% - 27.43%
Expected dividend yield (%)	0.96%
Exercise price (₹)	599.18
Stock price (₹)	1,290.30

Grant dated : January 01, 2026 (5 years vesting)	
Risk free interest rate (%)	5.61% - 6.18%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	23.26% - 27.36
Expected dividend yield (%)	1.02%
Exercise price (₹)	577.79
Stock price (₹)	1,207.10

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 10.80 crores (Previous year ₹ 11.33 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

Notes Forming Part of the Consolidated Financial Statements

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32 Expenditure on Corporate Social Responsibility

₹ in Crores

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
(i) Amount required to be spent by the Group during the year	9.63	8.18
(ii) Amount spent during the year (Refer Note below)		
- Construction/aquistion of any asset		
a) In cash	-	-
b) Yet to paid in cash	-	-
- On purpose other than above		
a) In cash (including shortfall of previous year ₹ 0.05 crores (March 31, 2025 ₹ 0.51 crores))	9.04	8.64
b) Yet to paid in cash	-	-
(iii) Shortfall at the end of the year	(0.64)	(0.05)
(iv) Total of previous years excess	-	-
(v) Reason for shortfall/excess		
The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2025 has been paid during the year ended March 31, 2026. The total shortfall for the current year ended March 31, 2026, ₹ 0.64 crores has been transferred to Unspent CSR Account on or before April 30, 2026.		
(vi) Nature of CSR activities		
(a) Good health and well being	-	-
(b) Education	5.29	5.23
(c) Processing of Old discarded footwear in an Ecofriendly manner	2.75	1.08
(d) Other	1.00	2.33
(vii) Details of related party transactions	Not Applicable	Not Applicable
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Note:

The Group has incurred the aforesaid expenditure towards ongoing projects.

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33 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

As at March 31, 2026

₹ in crores

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Metro Brands Limited	96.36%	1,952.89	96.30%	400.49	89.48%	(0.34)	96.30%	400.15
Subsidiary - Indian								
Metmill Footwear Private Limited	1.66%	33.70	1.19%	4.94	5.26%	(0.02)	1.18%	4.92
Non controlling Interests in the subsidiary	1.66%	33.55	1.12%	4.69	5.26%	(0.02)	1.13%	4.67
Subsidiary - Indian								
Metro Athleisure Limited	(0.24%)	(4.89)	1.02%	4.23	0.00%	-	1.02%	4.23
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.56%	11.45	0.37%	1.54	0.00%	-	0.37%	1.54
Total	**100.00%**	**2,026.70**	**100.00%**	**415.89**	**100.00%**	**(0.38)**	**100.00%**	**415.51**

As at March 31, 2025

₹ in crores

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Metro Brands Limited	96.64%	1,679.50	97.34%	345.02	117.18%	(0.27)	97.32%	344.75
Subsidiary - Indian								
Metmill Footwear Private Limited	1.66%	28.90	1.13%	4.01	(16.50%)	0.04	1.14%	4.05
Non controlling Interests in the subsidiary	1.66%	28.86	1.09%	3.85	(12.79%)	0.03	1.10%	3.88
Subsidiary - Indian								
Metro Athleisure Limited	(0.53%)	(9.19)	(0.01%)	(0.05)	0.00%	-	(0.01%)	(0.05)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.57%	9.90	0.46%	1.63	12.12%	(0.03)	0.45%	1.60
Total	**100.00%**	**1,737.97**	**100.00%**	**354.46**	**100.00%**	**(0.23)**	**100.00%**	**354.23**

Notes Forming Part of the Consolidated Financial Statements

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34 Subsidiaries and Joint Venture

(a) The subsidiaries considered in the preparation of these consolidated financial statements is:

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2026	As at March 31, 2025
Metmill Footwear Private Limited	Wholesale of Footwear	India	51%	51%
Metro Athleisure Limited	Wholesale of Footwear	India	100%	100%

(b) Disclosure of Non-Controlling Interests

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**28.86**	**29.38**
Share in Total Comprehensive Income	4.70	3.88
Dividend paid by subsidiary	-	(4.41)
Balance at the end of the year	**33.55**	**28.86**

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(c) Investment in Joint Venture

Details and financial information of the Joint venture

Details of the Group's joint venture at the end of the year is as follows:

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2026	As at March 31, 2025
M.V. Shoe Care Private Limited	Manufacturing of shoe care and foot care products	India	49%	49%

The Joint venture has no other contingent liabilities or capital commitments as at March 31, 2026 and March 31, 2025.

35 Financial Instruments

35.1 Capital Management

Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Equity		
Equity Share Capital	136.27	136.12
Other Equity	1,856.88	1,572.99
Non Controlling Interests	33.55	28.86
Total Equity	**2,026.70**	**1,737.97**
Total Debt*	**1,570.21**	**1,227.08**
Debt Equity Ratio	**0.77**	**0.71**

** Total Debt comprises of Lease Liability.*

35.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1, Level 2 and Level 3 hierarchy

₹ in Crores

Particulars	Hierarchy Level	As at March 31, 2026	As at March 31, 2025
Financial Assets			
Measured at fair value through profit or loss			
- Investments in Mutual funds	Level 2	278.98	156.85
- Investments in Bonds	Level 1	15.49	27.62
- Investments in Infrastructure Investment trusts	Level 1	85.76	61.79
- Investments in Equity instrument	Level 3	0.01	0.01
- Investments in Non-Convertible Debentures	Level 1	99.94	-
Measured at amortised cost			
- Trade receivables #		99.82	91.20
- Cash and cash equivalents #		32.57	94.84
- Other Bank balances #		9.35	6.19
- Investment in Fixed Deposits of Non Banking Companies #		6.50	48.00
- Investment in Commercial Papers #		157.26	228.41
- Loans #		0.96	1.40
- Other financial assets #		208.99	271.88
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	12.01	12.24
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		278.16	225.81
- Other financial liabilities #		66.91	36.00
- Lease Liabilities #		1,570.21	1,227.08

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

Note : There have been no transfers between level 1 and level 2 during the period.

35.3 Fair Value measurements

Fair valuation techniques and inputs used

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

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

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- 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')

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

Financial assets measured at fair value

Financial assets	Fair value (₹ in crores) As at March 31, 2026	As at March 31, 2025	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Investments in Mutual funds	278.98	156.85	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investment in Equity Instrument	0.01	0.01	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	27.50	39.86	Level 1	Active market determined	NA	NA
Investment in Infrastructure Investment trusts	85.76	61.79	Level 1	Active market determined	NA	NA
Investments in Non-Convertible Debentures	99.94	-	Level 1	Active market determined	NA	NA

35.4 Financial Risk Management

The Group's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Group operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A] CREDIT RISK

i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Group primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

ii) Trade and other receivables:

The Group's retail business is predominantly on cash and carry basis. The Group sells goods on credit basis to institutional and other customers. The credit risk on such collections is minimal considering that such sales are only 16.53% of the total sales. The credit period for institutional and other customers is 30 to 150 days. No interest is charged on trade receivables on payment received even after the credit period. The Group has adopted a policy of dealing with only credit worthy counterparties and the credit risk exposure is managed by the Group by credit worthiness checks. As at March 31, 2026, the Group had 18 customers (as at March 31, 2025 : 13 customers) that accounted for approximately 94.57% (as at March 31, 2025 : 87.35%) of the trade receivables. The Group also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

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

iii) Cash and cash equivalents and deposits with banks:

Credit risk on Cash and Cash Equivalents is limited as the Group generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B] LIQUIDITY RISK

1) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

2) Maturity of financial liabilities

The table below analyse the Group's financial liabilities in to relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

₹ in crores

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total undiscounted cash flows	Carrying amounts
As at 31st March, 2026						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	278.16	-	-	-	278.16	278.16
Lease Liabilities	323.30	593.77	488.34	651.47	2,056.88	1,570.21
Others	66.91	-	-	-	66.91	66.91
As at 31st March, 2025						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	225.81	-	-	-	225.81	225.81
Lease Liabilities	258.56	485.30	386.82	468.44	1,599.12	1,227.08
Others	36.00	-	-	-	36.00	36.00

The Group has access to following financing facilities which were undrawn as at the end of the year.

₹ in Crores

Undrawn financing facilities	As at March 31, 2026	As at March 31, 2025
Secured working capital facilities		
Amount Used	-	-
Amount Unused	66.00	56.00
Total	**66.00**	**56.00**
Letter of Credit (Unfunded)		
Amount used	6.04	3.44
Amount unused	3.96	6.56
Total	**10.00**	**10.00**

The above facility has been secured by a charge on Group's current assets and receivables.

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C] MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

1) Product Price risk

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps Group protect itself from significant product margin losses.

2) Interest risk

The Group is exposed to interest rate risk primarily due to borrowings having floating interest rates. The Group uses available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that the Group has an effective mix of fixed and variable rate borrowings. The Group does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on Secured Working capital limit	0.02	-
Interest Rate	8.35%	-
Interest Rate Buyers credit	-	-
Interest amount per 50 basis point fluctuation	0.00	-

3) Currency risk

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

The Group's exposure to foreign currency risk at the end of the year expressed in ₹ in Crores and USD($), is as follows

Particulars	As at March 31, 2026		As at March 31, 2025	
	₹ in Crores	USD ($) in Crores	₹ in Crores	USD ($) in Crores
Trade Payables	0.00	0.00	0.00	0.00

Sensitivity:

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

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
USD sensitivity		
₹/USD -Increase by 1% #	(0.00)	(0.00)
₹/USD -Decrease by 1% #	0.00	0.00

 # Holding all other variables constant

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36 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount remaining unpaid to any supplier at the end of the year	58.21	56.73
Interest due remaining unpaid to any supplier at the end of the year	-	1.34
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	0.78	0.10
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year (where the principal has been paid but interest under the MSMED Act, 2006 is not paid)	-	1.34
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	1.34

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

37 Events after the reporting period

No events, other than those disclosed in the financial statements, have occurred subsequent to the balance sheet date or are pending that would require adjustment to, or disclosure in the financial statements or amendment to significant assumptions used in the preparation of accounting estimate.

38 Ratio analysis and its elements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current Assets	1,829.27	1,568.35
Current Liabilities	633.00	541.18
Ratio	**2.89**	**2.90**
% Change from previous year	**(0%)**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

The Group do not have any outstanding borrowings as at year ended March 31, 2026 and March 31, 2025 and hence debt equity ratio is not applicable

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at March 31, 2026	As at March 31, 2025
Earnings available for debt service	689.69	591.34
Debt Service	292.86	238.87
Ratio	**2.36**	**2.48**
% Change from previous year	**(5%)**	

Earnings available for debt service= Net Profit after taxes + Non-cash operating expenses

Debt service = Interest and Lease Payments + Principal Repayments

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Net profit after tax	415.89	354.46
Total equity	2,026.70	1,737.97
Ratio	**20.52%**	**20.40%**
% Change from previous year	**1%**	

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2026	As at March 31, 2025
Cost of goods sold	1,205.12	1,060.87
Average Inventory	746.43	673.53
Inventory Turnover Ratio	**1.61**	**1.58**
% Change from previous year	**2%**	

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit Sales (net)	378.22	330.39
Average Trade Receivables	95.51	83.44
Ratio	**3.96**	**3.96**
% Change from previous year	**0%**	

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Credit Purchases (net)	1,424.17	987.61
Average Trade Payables	251.98	241.42
Ratio	**5.65**	**4.09**
% Change from previous year	**38%**	

This ratio is increased from 4.09 in March 2025 to 5.65 in March 2026, mainly due to higher purchases and quicker settlement of supplier dues driven by improved payment efficiency.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital = current assets - current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Sales	2,863.63	2,507.39
Current Assets (A)	1,829.27	1,568.35
Current Liabilities (B)	633.00	541.18
Net Working Capital	1,196.27	1,027.17
Ratio	**2.39**	**2.44**
% Change from previous year	**(2%)**	

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2026	As at March 31, 2025
Net profit after tax	415.89	354.46
Revenue from operation	2,863.63	2,507.39
Ratio	**14.52%**	**14.14%**
% Change from previous year	**3%**	

j) Return on Capital employed =Earnings before interest and taxes (EBIT) divided by Capital Employed

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax (A)	415.89	354.46
Finance Costs (B)	110.94	90.46
Total Tax Expense (C)	135.36	149.11
EBIT (D) = (A)+(B)+(C)	**662.19**	**594.04**
Capital Employed	**2,026.70**	**1,737.97**
Ratio (D)/(G)	**32.67%**	**34.18%**
% Change from previous year	**(4%)**	

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2026	As at March 31, 2025
Return on investment (refer note below)	9.73%	7.97%
% Change from previous year	**22%**	

Note :

The return on investment has been computed by considering the income earned from the investment and the weighted average of the associated cash flows.

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

39 The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

40 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

41 There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

42 The Group has not traded or invested in crypto currency or virtual currency during the financial year.

43 (A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

44 There is no delay in creation or satisfaction of charge which has been registered with Registrar of Companies (ROC) during the year.

45 The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

46 The Group has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks during the year on the basis of current assets of the Group. However, the Group is not required to file quarterly returns/statements with such banks in respect of the said loan.

47 The Group do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

48 The Group has not revalued its Property, Plant and Equipment and Intangible Assets, thus valuation by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation Rules, 2017 is not applicable.

49 The Group has not entered into any scheme of arrangements as approved by the competent authority in terms of Section 230 to Section 237 of the Companies Act, 2013

50 Goodwill

Goodwill acquired in business combination has been allocated to the following Cash Generating Units (CGUs) :

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
FILA business	40.37	40.37
Others	0.54	0.54
Total	**40.91**	**40.91**

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

The movement in goodwill is as under :

₹ in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	40.91	40.91
Add : Additions during the year	-	-
Less : Deletion during the year	-	-
Less : Impairment during the year	-	-
Balance at the end of the year	**40.91**	**40.91**

Impairment testing of goodwill:

Goodwill is not amortized, instead, it is tested for impairment annually or more frequently if indicators of impairment exist. The recoverable amount of a CGU is determined based on value-in-use which require the use of certain assumptions. The value of goodwill is primarily attributable to overall synergies from future expected economic benefits.

During the current year, the Group has carried out impairment testing of Goodwill as under:

(a) FILA business

The estimated value-in-use is based on discounted future cash flows for a period of 17 years (basis agreement entered into with FILA) considering weighted average cost of capital of 14.68% which reflects the time of cash flows and the anticipated risks.

(b) Others

The estimated value-in-use is based on discounted future cash flows for a period of 5 years considering weighted average cost of capital of 14.68% which reflects the time of cash flows, anticipated risks and terminal growth rate of 5%.

An analysis of the sensitivity of the change in key parameters mainly weighted average cost of capital and terminal annual growth rate based on probable assumptions, did not result in any probable scenario in which the recoverable amount would decrease below the carrying amount.

51 During the year ended March 31, 2025, the Company has reconciled and reassessed the tax balances as per books primarily of the FILA business with balances as per return of income pertaining to earlier years resulting in current tax expense and reversal of deferred tax assets of ₹ 6.81 crores and ₹ 18.21 crores respectively.

52 Effective November 21, 2025, the Central Government has issued the Code on Social Security, 2020, along with other labour codes, which replace and consolidate multiple existing labour laws.

The Code prescribes an inclusive definition of the term “wages” for determining post-employment benefits for employees. As per the definition, certain specified components of remuneration are excluded from wages; however, such exclusions cannot exceed 50% of the total remuneration. Any excess of such excluded components over the prescribed threshold is required to be included within the definition of wages.

The Company has revised the existing compensation structure w.e.f. March 01, 2026, and obtained legal opinion that such revision is not detrimental to interest of employees as per section 124 of the revised code.

The Company has assessed the financial implications of these changes. The impact arising from the said changes of ₹ 3.46 crores has been appropriately recognised in statement of profit & loss as dislcosed in Note 20 to the financial statements.”

Notes Forming Part of the Consolidated Financial Statements

for the year ended March 31, 2026

53 Audit Trail feature in Accounting Software

The Company, subsidiaries and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, the Company and above referred subsidiaries and joint venture did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and the above referred subsidiaries and joint venture as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years.

54 There were no whistle blower complaints received by the Group during the year, other than the below complaints received and closed by the Group during the year:

Received	5
Closed	5

54 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 20, 2026

For and on behalf of the Board of Directors
Metro Brands Limited
CIN-L19200MH1977PLC019449

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 20, 2026

Notice

NOTICE is hereby given that the 49th Annual General Meeting ("**AGM**") of Metro Brands Limited (the "**Company**") will be held on **Wednesday, September 16, 2026**, at **3:00 P.M.** through **Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**, to transact the following matters and if thought fit, to pass the following resolutions. The venue of the meeting shall be deemed to be the Registered Office of the Company at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070. This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules made thereunder in accordance with the Articles of Association of the Company.

I. ORDINARY BUSINESS:

1. To receive, consider and adopt-

a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2026, together with the reports of the Board of Directors and the Auditors thereon; and

b) The audited consolidated financial statements of the Company for the Financial Year ended March 31, 2026, together with the Report of the Auditors thereon.

2. To confirm payment of Interim Dividend of ₹ 3/- per Equity Share of ₹ 5/- each already paid and to consider and declare Final Dividend of ₹ 3/- per Equity Share of ₹ 5/- each for the Financial Year ended March 31, 2026.

3. To re-appoint Ms. Alisha Rafique Malik (DIN: 10719537), Whole-time Director of the Company, who retires by rotation and being eligible, offers her candidature for re-appointment.

II. SPECIAL BUSINESS:

4. To re-appoint Ms. Farah Malik Bhanji (DIN: 00530676) as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read with Schedule V thereto, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company, and such other approvals, permissions and sanctions, as may be required, approval of the Members be and is hereby accorded for the re-appointment of Ms. Farah Malik Bhanji (DIN: 00530676) as Managing Director of the Company for a period of five (5) years with effect from April 01, 2027 up to March 31, 2032, liable to retire by rotation, on the terms and conditions, including remuneration, not exceeding ₹10,00,00,000/- (Rupees Ten Crore only) per annum, comprising such components as may be determined by the Board from time to time, including but not limited to basic salary, allowances, performance-linked incentive, annual variable pay/performance bonus, commission, special allowance, long-term incentive, retention bonus, ex-gratia, perquisites, retirement benefits, contributions to provident fund, superannuation fund and gratuity, leave encashment, medical and other insurance benefits, club membership, car and communication facilities, reimbursements and such other allowances, benefits, incentives, facilities or perquisites as may be permissible under applicable law and the Company's policies; and such remuneration may be reviewed annually by the Nomination Remuneration and Compensation Committee ("**NRC Committee**") and the Board within the aforementioned limit based on her individual performance and the performance of the Company, and such other relevant factors as the Board/NRC Committee may deem appropriate.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment, Ms. Farah Malik Bhanji shall be entitled to receive remuneration, including perquisites and other benefits, within the overall limits approved by the Members hereinabove, as minimum remuneration, subject to the applicable provisions of the Act and Schedule V thereto.

RESOLVED FURTHER THAT Ms. Farah Malik Bhanji shall be liable to retire by rotation in accordance with the provisions of the Act and the Articles of Association of the Company, and any such retirement by rotation and consequent re-appointment as a Director of the Company shall not affect her continuation as Managing Director of the Company during the tenure of her appointment.

RESOLVED FURTHER THAT Chairman, any of the other Whole-time Directors, Chief Executive Officer, Chief Financial Officer, Chief Legal Officer and Company Secretary, and Chief Human Resource Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient to do all such acts, deeds and things as may be necessary or incidental to give effect to this resolution."

5. **To approve the appointment of Mr. Sonny Iqbal (DIN: 02962053) as an Independent Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("**Act**"), Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulations 16(1)(b), 17, 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and in accordance with the Articles of Association and NRC Policy of the Company, Mr. Sonny Iqbal (DIN: 02962053) who was appointed by the Board as an Additional Director in the capacity of an Independent Director of the Company with effect from August 05, 2026 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations, and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the Listing Regulations, be and is hereby appointed as a Non-Executive Independent Director of the Company, who is not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from August 05, 2026 to August 04, 2031 (both days inclusive).

RESOLVED FURTHER THAT Mr. Sonny Iqbal shall be entitled to remuneration by way of commission as may be approved by the Board from time to time which shall be within the limits approved by the Members vide resolution dated September 07, 2022, provided that the total remuneration payable by way of commission to him along with other Non-Executive Directors (including Independent Directors and excluding Chairperson) during any financial year shall not exceed one (1) percent of the net profits of the Company for that financial year computed in the manner prescribed under Section 198 of the Act, in addition to the sitting fees paid under Section 197 (5) of the Act and other reimbursement of expenses for attending meetings of the Board or Committees thereof, in such manner, as may be decided by the Board from time to time.

RESOLVED FURTHER THAT Chairman, any of the Whole-time Directors, Chief Executive Officer, Chief Financial Officer, Chief Legal Officer & Company Secretary and Chief Human Resources Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto."

6. **To approve payment of remuneration to Mr. Rafique Abdul Malik, Non-Executive Chairman of the Company**

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], and recommendations made by the Nomination, Remuneration and Compensation Committee and Board, payment of remuneration to Mr. Rafique Abdul Malik (DIN: 00521563) as the Non-Executive Chairman of the Company, for the financial year ("**FY**") 2026-27, as approved by the Members at the 47th Annual General Meeting held on September 19, 2024, being an amount exceeding fifty percent of the total annual remuneration payable to all the Non- Executive Directors of the Company for FY 2026-27, be and is hereby approved.

RESOLVED FURTHER THAT all other terms and conditions of his appointment and remuneration which are not specifically referred to herein shall remain unaltered.

RESOLVED FURTHER THAT any of the Whole-time Directors of the Company, Chief Human Resources Officer and Chief Legal Officer & Company Secretary be and are hereby severally authorized to take all actions as may be deemed expedient in this regard."

7. **To consider and approve amendments in 'METRO Stock Option Plan 2008'.**

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and such other applicable provisions under the Act, if any, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors ("**Board**") of the Company, the consent of the shareholders of the Company, be and is hereby accorded to the amendments made in 'METRO Stock Option Plan 2008' ("**ESOP 2008**" or "**Plan**") with a view:

i. to decrease 38,89,363 (Thirty-Eight Lakh Eighty-Nine Thousand Three Hundred Sixty-Three) employee stock options ("**Options**") from the aggregate Option pool of 53,00,000 (Fifty Three Lakh) Options reserved under ESOP 2008, resulting in 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred Thirty-Seven) Options, exercisable into not exceeding 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred Thirty-Seven) equity shares of face value of ₹ 5/- (Rupees Five Only) each fully paid-up, where one Option would convert into one equity share upon exercise, on such terms and in such manner in accordance with the provisions of the applicable laws and the provisions of ESOP 2008;

ii. to transfer 11,95,157 (Eleven Lakh Ninety-Five Thousand One Hundred Fifty-Seven) unallocated options from ESOP 2008 to the proposed employee stock option scheme namely 'Metro Brands Limited – Employee Stock Option Scheme 2026';

iii. to enable the trust route for carrying out administration activities of ESOP 2008 through an irrevocable employee welfare trust namely 'Metro Brands ESOP Trust' to be set up by the Company; and

iv. to change source of acquisition from primary issuance to both secondary acquisition and/or primary issuance.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion, and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions to give effect to this resolution."

8. **To consider and approve 'Metro Brands Limited – Employee Stock Option Scheme 2026'**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and such other applicable provisions under the Act, if any, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to the introduction of 'Metro Brands Limited – Employee Stock Option Scheme 2026' ("**ESOS 2026**" or "**Scheme**") and implementation through an irrevocable employee welfare trust namely 'Metro Brands ESOP Trust' ("**Trust**") to be set-up by the Company, the salient features of which are furnished in the Explanatory Statement annexed to this notice, and authorizing the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, including the NRC Committee which the Board has constituted) to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 54,50,000 (Fifty-Four Lakh Fifty Thousand) employee stock options ("**Options**") to the eligible Employees of the Company, exclusively working in India or outside, as determined in terms of the Scheme, exercisable into not more than 54,50,000 (Fifty-Four Lakh Fifty Thousand) equity shares of face value of ₹ 5/- (Rupees Five Only) each fully paid-up ("**Shares**"), to be sourced from the secondary acquisition and/ or primary issuance by the Trust, where one Option would convert into one equity share upon exercise, on such terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the ESOS 2026.

RESOLVED FURTHER THAT the Shares as specified hereinabove shall be transferred by the Trust to the grantees upon exercise of Options in accordance with the terms of the grant and provisions of the Scheme and such Shares shall rank pari passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger or sale or division and others, if any additional Options to be granted by the Company, for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the eligible Employees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said eligible Employees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities to be allotted under the ESOS 2026 on the stock exchanges, where the equity shares of the Company are listed in due compliance with SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT the Company and the Trust shall ensure compliance of the provisions of the SBEB Regulations, Act, and rules made thereunder and all other applicable laws at all times in connection with holding and dealing in the Shares of the Company including but not limited to accounting policies, maintenance of proper books of account, records and documents with appropriate disclosures as prescribed.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to the compliance with the applicable laws and regulations and further subject to consent of the shareholders by way of special resolution to the extent required under SBEB Regulations, and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and / or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOS 2026 and do all other things incidental and ancillary thereof in conformity with the provisions of the Act, SBEB Regulations, the relevant provisions of the Memorandum and Articles of Association of the Company and any other applicable laws in force to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors with a power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to this resolution."

9. a. To consider and approve grant of employee stock options to the employees of the subsidiary company of the Company under 'METRO Stock Option Plan 2008'

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**"), read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and such other applicable provisions under the Act, if any , the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and on the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, including the NRC Committee which the Board has constituted) to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options ("**Options**") under 'METRO Stock Option Plan 2008' ("**ESOP 2008**" or "**Plan**") to the eligible Employees of the subsidiary company of the Company, exclusively working in India or outside India, as determined in terms of the ESOP 2008, within the ceiling of total number of Options and equity shares, as specified in ESOP 2008 along with such other terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the ESOP 2008."

b. To consider and approve grant of employee stock options to the employees of the associate company of the Company under 'METRO Stock Option Plan 2008'

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the rules made thereunder, and such other applicable provisions under the Act, if any , the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and on the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, including the NRC Committee which the Board has constituted) to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options ("**Options**") under '**METRO Stock Option Plan 2008**' ("**ESOP 2008**" or "**Plan**") to the eligible Employees of the associate company of the Company, exclusively working in India or outside India, as determined in terms of the ESOP 2008, within the ceiling of total number of Options and equity shares, as specified in ESOP 2008 along with such other terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the ESOP 2008."

10. a. To consider and approve grant of employee stock options to the employees of the subsidiary company of the Company under 'Metro Brands Limited – Employee Stock Option Scheme 2026'

To consider and if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**"), read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and such other applicable provisions under the Act, if any , the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and on the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, including the NRC Committee which the Board has constituted) to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options ("**Options**") under 'Metro Brands Limited – Employee Stock Option Scheme 2026' ("**ESOS 2026**" or "**Scheme**") to the eligible Employees of the subsidiary company of the Company, exclusively working in India or outside India, as determined in terms of the ESOS 2026, within the ceiling of total number of Options and equity shares, as specified in ESOS 2026 along with such other terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the ESOS 2026.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors with a power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to this resolution."

b. To consider and approve grant of employee stock options to the employees of the associate company of the Company under 'Metro Brands Limited – Employee Stock Option Scheme 2026'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the rules made thereunder, and such other applicable provisions under the Act, if any , the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, and on the recommendation of the Nomination, Remuneration and Compensation Committee ("**NRC Committee**") and the Board of Directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, including the NRC Committee which the Board has constituted) to offer, issue, grant and allot from time to time, in one or more tranches, employee stock options ("**Options**") under 'Metro Brands Limited – Employee Stock Option Scheme 2026' ("**ESOS 2026**" or "**Scheme**") to the eligible Employees of the associate company of the Company, exclusively working in India or outside India, as determined in terms of the ESOS 2026, within the ceiling of total number of Options and equity shares, as specified in ESOS 2026 along with such other terms and in such manner, in accordance with the provisions of the applicable laws and the provisions of the ESOS 2026.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors with a power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to this resolution."

11. a. To consider and approve secondary acquisition of shares through Trust route for the implementation of 'METRO Stock Option Plan 2008'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, the consent of the shareholders of the Company be and is hereby accorded to acquire not exceeding 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred Thirty-Seven) equity shares of face value of ₹ 5/- (Rupees Five only) each fully paid-up ("**Shares**"), by way of secondary acquisition, from time to time, in one or more tranches, for implementation of '**METRO Stock Option Plan 2008' ("ESOP 2008" or "Plan")**, through an irrevocable employee welfare trust namely 'Metro Brands ESOP Trust' ("**Trust**") to be set-up by the Company, in due compliance with the provisions of the SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organization, the ceiling aforesaid in terms of number of Shares intended to be purchased by the Trust from secondary acquisition shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible Employees as per provisions of the SBEB Regulations and such adjusted number of Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake only delivery-based transactions for the purposes of secondary acquisition as permitted under the SBEB Regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall not vote in respect of the shares acquired and held by such Trust."

b. To consider and approve secondary acquisition of shares through Trust route for the implementation of 'Metro Brands Limited – Employee Stock Option Scheme 2026'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended and enacted from time to time read with all circulars, guidance notes and notifications issued thereunder ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999, the relevant provisions of Memorandum and Articles of Association of the Company and subject to further such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions, the consent of the shareholders of the Company be and is hereby accorded to acquire not exceeding 54,50,000 (Fifty-Four Lakh Fifty Thousand) equity shares of face value of ₹ 5/- (Rupees Five only) each fully paid-up ("**Shares**"), by way of secondary acquisition, from time to time, in one or more tranches, for implementation of 'Metro Brands Limited – Employee Stock Option Scheme 2026' ("**ESOS 2026**" or "**Scheme**"), through an irrevocable employee welfare trust namely 'Metro Brands ESOP Trust' ("**Trust**") to be set-up by the Company, in due compliance with the provisions of the SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organization, the ceiling aforesaid in terms of number of Shares intended to be purchased by the Trust from secondary acquisition shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible Employees as per provisions of the SBEB Regulations and such adjusted number of Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake only delivery-based transactions for the purposes of secondary acquisition as permitted under the SBEB Regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall not vote in respect of the shares acquired and held by such Trust."

12. To consider and approve provision of money by the Company for purchase of its own Shares by the Trust under the 'METRO Stock Option Plan 2008' and 'Metro Brands Limited – Employee Stock Option Scheme 2026'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of the Section 67 of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 3(8) of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and all circulars, guidance note and notifications issued thereunder, as amended from time to time ("**SBEB Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to further such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the shareholders of the Company be and is hereby accorded by authorizing the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee, which the Board has constituted) to grant a loan, provide guarantee or security in connection with a loan granted or to be granted, in one or more tranches, to the irrevocable employee welfare trust namely 'Metro Brands ESOP Trust' ("**Trust**") to be set-up by the Company, by such sum of money not exceeding 5% (Five Percent) of the aggregate of the paid-up capital and free reserves of the Company, with a view to enable the Trust to acquire equity shares of the Company of face value of ₹ 5/- (Rupees Five Only) each fully paid-up ("**Shares**"), by way of secondary acquisition and/ or primary source, for implementation of 'METRO Stock Option Plan 2008' ("**ESOP 2008**" or "**Plan**") and 'Metro Brands Limited – Employee Stock Option Scheme 2026' ("**ESOS 2026**" or "**Scheme**").

RESOLVED FURTHER THAT the Trust shall use the loan amount disbursed from time to time only for the purposes of ESOP 2008 and ESOS 2026 strictly in accordance with the provisions of SBEB Regulations.

RESOLVED FURTHER THAT the loan provided by the Company shall be interest free with tenure of such loan based on term of ESOP 2008 and ESOS 2026 and shall be repayable to the Company from realization of proceeds of exercise/ permitted sale/ transfer of Shares and any other eventual income of the Trust.

RESOLVED FURTHER THAT subject to the broad terms above, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may at its absolute discretion, as deemed fit, to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/ or instructions as may be necessary or expedient to give effect to this resolution."

By Order of the Board of Directors
For Metro Brands Limited

Sd/-
Rafique Abdul Malik
DIN: 00521563
Chairman and Non-Executive Director

Place: Mumbai
Date: August 04, 2026

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("**Act**"), in respect of business to be transacted at the 49th Annual General Meeting ("**AGM**"), and relevant details of the Directors as mentioned under Item Nos. 3, 4 and 5 above, as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and as required under Secretarial Standard on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India ("**ICSI**"), is annexed hereto.

2. Pursuant to the provisions of the Act read with Rules made thereunder and Listing Regulations and General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs ("**MCA**") and such other applicable circulars issued by MCA and Securities and Exchange Board of India ("**SEBI**") (collectively referred to as "**the Circulars**"), companies have been permitted to convene their AGM through Video Conferencing ("**VC**")/Other Audio Visual Means ("**OAVM**"). Accordingly, in compliance with the Circulars, the forthcoming AGM of the Company shall be conducted through VC/OAVM. The registered office of the Company, situated at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070, shall be deemed to be the venue of the Meeting.

3. The Notice of 49th AGM ("**Notice**") was approved by the Board of Directors in its meeting held on August 04, 2026, and the Chairman was authorised to issue the Notice.

4. Since the AGM will be conducted through VC/OAVM, the facility for appointment of proxy by the members is not available for this AGM and hence, the proxy form is not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM, participate therein at and cast their votes through e-voting. Further, attendance slip including route map is not annexed to this Notice.

5. Attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. In compliance with the Listing Regulations, the proceedings of the AGM shall be webcasted on NSDL's website. Members can view the proceedings by logging on the e-Voting website of NSDL at www.evoting.nsdl.com using their secure login credentials. The link will be available in the Member login where EVEN of the Company will be displayed.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

PROCESS FOR DISPATCH OF THE ANNUAL REPORT AND REGISTRATION OF EMAIL ADDRESS FOR OBTAINING A COPY OF THE SAME

8. In compliance with the Circulars, Notice along with the Annual Report for the Financial Year ("**FY**") 2025-26 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Registrar & Share Transfer Agent ("**RTA**") & Depository Participant ("**DP**"). Further, a letter providing a weblink and QR code for accessing the Notice of the AGM and Annual Report for the FY 2025-26 will be sent to those shareholders who have not registered their email address.

   Physical copy of the Notice along with the Annual Report for the FY 2025-26 shall be sent to those Members who request for the same.

   Members may note that Notice of the AGM along with the Annual Report for the FY 2025-26 will also be available on the Company's website at https://metrobrands.com/agm-egm-notices/, websites of the Stock Exchanges, i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.

9. To support the 'Green Initiative', Members holding Shares in dematerialised mode are requested to register/update their email addresses with the relevant DP.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP.

11. Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014, the Register of Members of the Company will remain closed from **Friday, September 11, 2026**, to **Wednesday, September 16, 2026** (both days inclusive) in connection with the AGM.

DIVIDEND & TDS RELATED INFORMATION

12. The dividend on equity shares, as recommended by the Board for FY ended March 31, 2026, if approved at the AGM, shall be payable to those Members whose names appear in the Register of Members of the Company and as per the beneficial ownership details furnished by the Depositories i.e., National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**") as at the close of business hours on **Friday, September 04, 2026**.

    The dividend, if approved at the AGM, will be paid on or after **Saturday, September 19, 2026**.

13. In accordance with SEBI mandate, the Company will use the bank account details provided by the DPs and maintained by the RTA to electronically credit dividends. Dividend payments will be made through electronic modes such as Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Automated Clearing House (ACH)/Real Time Gross Settlement (RTGS)/Direct Credit/Immediate Payment Service (IMPS)/National Electronic Funds Transfer (NEFT) etc.

14. Pursuant to Finance Act 2020, Dividend income will be taxable in the hands of shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source from Dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the DP.

    A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source by visiting the link https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html by 5:00 p.m. IST on **Friday, September 04, 2026**. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under Section 206AB of the Income Tax Act ("**IT Act**"), the tax will be deducted at a higher rate prescribed under Section 206AA or 206AB of the IT Act, as applicable. Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41, any other document which may be required to avail the tax treaty benefits by visiting the link https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html. The aforesaid declarations and documents need to be submitted by the shareholders by 5:00 p.m. IST on **Friday, September 04, 2026**.

15. Members are requested to note that if the tax on dividend is deducted at a higher rate in the absence of receipt of the requisite details/documents, there would still be an option available to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

INVESTOR EDUCATION AND PROTECTION FUND ("IEPF") RELATED INFORMATION

16. Pursuant to the provisions of the Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("**IEPF Rules**"), dividends that remain unclaimed/unpaid for a period of seven (7) years from the date of their transfer to the unclaimed/unpaid dividend account are mandated to be transferred to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividends remain unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. The due dates for the transfer of unclaimed and unpaid dividends are as under:

FY	Dividend	Date of declaration of dividend	Due Date for transfer to IEPF
2021-22	Interim Dividend	07-03-2022	06-04-2029
	Final Dividend	07-09-2022	06-10-2029
2022-23	Interim Dividend	17-01-2023	16-02-2030
	Final Dividend	13-09-2023	12-10-2030
2023-24	Interim Dividend	18-01-2024	17-02-2031
	Final Dividend	19-09-2024	18-10-2031
2024-25	Interim & Special Dividend	28-02-2025	27-03-2032
	Final Dividend	18-09-2025	17-10-2032
2025-26	Interim Dividend	27-01-2026	26-02-2033

17. Members who have not encashed their dividend warrants/demand drafts so far in respect of the aforesaid periods, are requested to make their claims to RTA well in advance of the above due dates. Pursuant to the provisions of the IEPF Rules, as amended, the details of unpaid and unclaimed amounts lying with the Company are available on the website of the Company at https://metrobrands.com/unpaid-unclaimed-dividends/.

PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO THE ANNUAL REPORT AT THE ENSUING AGM OF THE COMPANY

18. Members having questions/seeking clarifications with respect to the annual report may send their questions in advance mentioning their name, demat account number, email ID, mobile number at investor.relations@metrobrands.com at least seven (7) days before the date of the meeting. The same will be replied to by the Company suitably.

19. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker, by sending request from their registered email address mentioning name, DP ID and Client ID, and mobile number at investor.relations@metrobrands.com at least seven (7) days before the date of the meeting. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

20. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

PROCEDURE FOR ATTENDING THE AGM THROUGH VC/ OAVM

21. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below under the heading "Access to NSDL e-Voting system". After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN (140941) of Company will be displayed.

22. Members can join the AGM 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

23. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

24. Members are encouraged to join the Meeting through laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

25. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

26. Members who need assistance before and during the AGM, can contact Ms. Pallavi Mhatre, Assistant Vice President, NSDL, at evoting@nsdl.com or call at no.: (022) 4886 7000.

27. Instructions for Members to speak during the AGM:

- Upon registration as a speaker, the Member will get confirmation on first cum first basis.
- Members will receive "speaking serial number" once they mark attendance for the meeting.
- Other members may ask questions to the panellist, via active chat-board during the meeting.
- Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Members are requested to speak only when moderator of the Meeting/management announces the name and serial number for speaking.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

28. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Wednesday, September 09, 2026**, being the **cut-off date**, are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

29. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA Circulars, Regulation 44 of Listing Regulations and the SS-2 issued by the ICSI, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 49th AGM to cast their votes electronically. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.

30. The Board of the Company has appointed M/s. Mehta & Mehta, Practicing Company Secretaries (Firm Registration Number P1996MH007500) as Scrutinizer to scrutinize the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner. Mrs. Ashwini Inamdar (Membership No. FCS 9409) and failing her Ms. Alifya Sapatwala (Membership No. ACS 24091), Partners, will represent M/s. Mehta & Mehta, Practising Company Secretaries.

31. The Scrutinizer shall after the conclusion of AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses, not in the employment of the Company. The Scrutinizer shall submit the consolidated Scrutinizer's report, not later than two (2) working days from the conclusion of the AGM to the Chairman or any other person authorized by the Board. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company https://metrobrands.com/stock-exchange-disclosures/ and also be displayed on the notice board of the Company at its Registered Office and on the website of NSDL viz., www.evoting.nsdl.com immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.

32. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., **Wednesday, September 16, 2026**.

33. The recorded transcript of the proceedings of the AGM shall be made available on the Company's website at https://metrobrands.com/stock-exchange-disclosures/.

34. Remote e-Voting prior to the AGM

The remote e-Voting period will commence on **Sunday, September 13, 2026, at 9:00 a.m. IST** and ends on **Tuesday, September 15, 2026, at 5:00 p.m. IST**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the cut-off date i.e. **Wednesday, September 09, 2026**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **September 09, 2026**.

As per the SEBI circular dated December 09, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by listed companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., verification code and generate OTP. Enter the OTP received on registered email ID/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	5. Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com, Click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your DP registered with NSDL/ CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL website after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-210-9911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-Services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-Services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL)	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************

5. Password details for shareholders other than individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password', and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL in your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email IDs are not registered.**

6. If you are unable to retrieve or have not received the "**Initial password**" or have forgotten your password, then follow below steps:

   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   c) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN (140941)" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN (140941)" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@mehta-mehta.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Assistant Vice-President, NSDL at evoting@nsdl.com.

For procuring user id and password and registration of e mail ids for e-Voting for the Process for those shareholders whose email IDs are not registered with the depository's resolutions set out in this notice:

1. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@metrobrands.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

2. Alternatively, members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.

35. E-Voting during the AGM

The instructions for members for e-Voting on the day of the AGM are as under: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will neither be allowed to change the vote subsequently nor cast votes again during the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

36. Documents open for Inspection: The Register of Directors and Key Managerial Personnel ("**KMP**") and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and other relevant documents/agreements referred to in the accompanying Notice and the Explanatory Statement will be available electronically for inspection by the Members during the AGM.

EXPLANATORY STATEMENT

ITEM NO. 4

Ms. Farah Malik Bhanji was appointed as Managing Director of the Company at the 44th AGM held on August 20, 2021, for a period of five (5) years with effect from April 1, 2022, at a remuneration not exceeding ₹7,00,00,000/- (Rupees Seven Crore only) per annum. Her current term of office expires on March 31, 2027.

Based on the recommendation of the NRC Committee, the Board, at its meeting held on August 4, 2026, has recommended the re-appointment of Ms. Farah Malik Bhanji as Managing Director of the Company, liable to retire by rotation, for a term of five (5) consecutive years commencing from April 1, 2027 and ending on March 31, 2032, subject to the approval of the Members.

Ms. Farah Malik Bhanji possesses over two decades of experience in the retail industry. During her tenure as Managing Director, she has played a key role in the Company's growth and transformation, leading several strategic initiatives including expansion of the Company's retail network, strengthening of its owned and international brand portfolio, advancement of omni-channel capabilities, technology-led transformation and adoption of data-driven decision-making. Under her leadership, the Company has strengthened its vendor network and expanded its retail footprint from approximately 624 stores in March 2022 to more than 1,000 stores across India, while continuing to deliver sustainable growth and operational excellence. The NRC Committee and the Board, while recommending her re-appointment and remuneration limits, have taken into consideration her leadership capabilities, industry knowledge, strategic vision, performance during her tenure, contribution towards the Company's sustained growth, the scale and complexity of the Company's operations, industry remuneration benchmarks and the responsibilities attached to the office of the Managing Director. The Board is of the considered opinion that her continued leadership would be in the best interests of the Company and its stakeholders.

The remuneration payable to Ms. Farah Malik Bhanji shall not exceed ₹10,00,00,000/- (Rupees Ten Crore only) per annum and shall comprise such components as set out in the resolution and as may be determined by the Board and/or the NRC Committee from time to time.

The remuneration ceiling of ₹7,00,00,000/- (Rupees Seven Crore only) per annum was fixed at the time of Ms. Farah Malik Bhanji's previous re-appointment in the year 2021, for her term commencing on April 1, 2022, and has remained unchanged for the entire five-year term. During this period, the Company's gross turnover grew from ₹1,574.64 crore to ₹3,289.13 crore, PAT grew from ₹214.20 crore to ₹415.89 crore (consolidated), and the Company's retail network expanded to over 1,000 stores across India, alongside significant growth in digital and omni-channel operations. The proposed enhancement in the remuneration ceiling to ₹10,00,00,000/- (Rupees Ten Crore only) per annum reflects this growth in the scale, complexity and profitability of the Company's operations over the last five years, and has been benchmarked against remuneration paid to managing directors/ whole-time directors of comparable companies in the retail sector.

The proposed remuneration ceiling has been determined keeping in view the responsibilities of the office, market practices, future business growth, annual performance evaluations and the need to provide adequate flexibility during the tenure of appointment so long as the overall remuneration remains within the ceiling approved by the Members. The remuneration structure continues to include a significant performance-linked/variable component, ensuring that a meaningful portion of the remuneration remains aligned to individual and Company performance rather than being paid as a fixed entitlement.

It is clarified that the proposed amount represents the maximum ceiling and is intended to provide flexibility to accommodate future increments over a period of five years from the date of her re-appointment. The actual remuneration paid to Ms. Farah Malik Bhanji in FY 2025-26 was ₹3.86 crore, well within the existing ceiling of ₹7 crore, and future remuneration within the enhanced ceiling will similarly continue to be determined by the NRC Committee and the Board each year based on her individual performance, the Company's performance, and applicable industry benchmarks, provided that the aggregate remuneration payable to Ms. Bhanji shall remain within the overall limit approved by the Members and in accordance with the applicable provisions of the Act, the Rules made thereunder and the Listing Regulations, as amended from time to time. The details of remuneration will be disclosed in the Company's Annual Report each year as required under applicable law.

The remuneration shall be governed by the provisions of Sections 196, 197, 198 and other applicable provisions of the Act read with Schedule V thereto, the Rules framed thereunder and the applicable provisions of the Listing Regulations including Regulation 17(6)(e), as amended from time to time.

No sitting fees shall be payable to her for attending meetings of the Board or Committees thereof. Ms. Farah Malik Bhanji shall not be entitled to participate in any Employee Stock Option Scheme of the Company unless approved in accordance with the applicable provisions of law. She shall continue to be designated as KMP pursuant to Section 203 of the Act.

The Company has received all necessary statutory declarations and consents from Ms. Farah Malik Bhanji, including her consent to act as a Director in Form DIR-2 and declaration in Form DIR-8 confirming that she is not disqualified from being appointed as a Director under Section 164 of the Act.

Relevant details of Ms. Farah Malik Bhanji, as required under the Act, SS-2 issued by the ICSI and Regulation 36(3) of the Listing Regulations, are provided in the Annexure forming part of this Notice.

The draft contract of service or the memorandum to be entered into with the Managing Director, as prescribed under Section 190 of the Act, shall be available for inspection through electronic mode in the manner set out in Note No. 36 of this Notice.

Ms. Farah Malik Bhanji is interested in the resolution set out at Item No. 4 of the Notice as it relates to her re-appointment and remuneration. Mr. Rafique Abdul Malik, Chairman and Ms. Alisha Rafique Malik, Whole-time Director being related to Ms. Farah Malik Bhanji, are also concerned or interested in the resolution.

Save as aforesaid, none of the other Directors, KMP of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board considers the re-appointment of Ms. Farah Malik Bhanji as Managing Director to be in the best interests of the Company and accordingly recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members.

ITEM No. 5

In accordance with provisions of the Sections 149, 150, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("**Appointment of Directors Rules**") and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, and based on the recommendation of NRC Committee, the Board at its meeting held on August 04, 2026, has, *inter alia*, approved the appointment of Mr. Sonny Iqbal (DIN: 02962053), as an Additional Director in the capacity of an Independent Director of the Company for a term of five (5) consecutive years w.e.f. August 05, 2026 to August 04, 2031, subject to the approval of the shareholders of the Company.

Mr. Sonny Iqbal is a global expert in Leadership Development, Organization Consulting, and Family Enterprise Advisory, counselling businesses both in India and internationally.

He spent 27 years at Egon Zehnder, where he helped establish the firm's offices in New Delhi, Bengaluru, and Mumbai. He continues his association with the firm as a Senior Advisor.

At Egon Zehnder, Mr. Iqbal co-founded and co-led the firm's global Family Business Advisory Practice, guiding multigenerational enterprises through succession, founder transition, governance structures, and professionalization. His work with the practice has been published in several papers, including six articles in the Harvard Business Review. He also served as Chair of the firm's Partner Candidate Evaluation Group and as a member of its Nomination Committee.

He is also a Senior Advisor at ChrysCapital, one of India's largest private equity firms and also serves on various Boards.

Prior to Egon Zehnder, Mr. Iqbal held key positions with the Oberoi Group across India, the United Kingdom, and the Middle East, and managed the financial and travel services business of American Express in India.

Mr. Iqbal holds a BA (Hons) from St. Stephen's College, University of Delhi, an MBA in Marketing from the University of Surrey, UK and a Postgraduate Diploma from the Oberoi Centre of Learning and Development.

The Company has received notice in writing from a Member under Section 160 of the Act, proposing the candidature of Mr. Sonny Iqbal for the office of Independent Director of the Company.

The Company has received, *inter alia,* the following consents, declarations and confirmations from Mr. Sonny Iqbal with regard to the proposed appointment:

a. Consent to act as a Director of the Company in Form DIR-2 pursuant to Section 152 of the Act read with the Appointment of Directors Rules;

b. Confirmation that he is not disqualified from being appointed as a Director in Form DIR-8 pursuant to Section 164 of the Act read with the Appointment of Directors Rules;

c. Declaration that he fulfils the criteria of independence specified in Section 149 read with Schedule IV of the Act, Appointment of Directors Rules and the Listing Regulations.

d. Confirmation that he is registered with the Independent Director's databank in terms of Section 150 of the Act read with Rule 6 of the Appointment of Directors Rules; and

e. Declaration that he has not been debarred from holding the office of director by virtue of any order passed by the SEBI or any such authority;

Relevant details of Mr. Sonny Iqbal, as required under Regulation 36(3) of the Listing Regulations and the SS-2 issued by the ICSI, are provided in the annexure to this Notice.

Other than the remuneration proposed to be paid to Mr. Sonny Iqbal in his capacity as an Independent Director he does not have any other pecuniary relationship, directly or indirectly, with the Company.

Except for Mr. Sonny Iqbal, none of the Directors or KMPs of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

The Board recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

ITEM NO. 6

The NRC Committee & the Board had in their respective meetings held on August 09, 2024 and the Shareholders in the AGM held on September 19, 2024 had approved transition of Mr. Rafique Abdul Malik, Non-Executive Chairman of the Company for a term of three (3) consecutive years with effect from September 19, 2024 to September 18, 2027 on the terms and conditions including remuneration & benefits, as under:

a. Total Remuneration of ₹5,00,00,000/- (Rupees Five Crore only) per annum by way of monthly payment;

b. Reimbursement of expenses actually and properly incurred in the course of business as per the Company's policy; and

c. Such other benefits and facilities in accordance with the Company's policy not exceeding 100% of the Total Remuneration per annum mentioned at point (a) above.

Pursuant to the provisions of Regulation 17(6)(ca) of Listing Regulations, approval of the Members of the Company by way of a special resolution is required to be obtained every year for payment of annual remuneration to a single non-executive director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive directors, giving details of remuneration thereof.

The remuneration payable to Mr. Malik for FY 2026-27 (in accordance with the approval accorded by the Members at the 47th AGM) will exceed 50% (fifty percent) of the total annual remuneration payable to all Non-Executive Directors of the Company. All other terms and conditions of his appointment shall remain same.

Except Mr. Malik, Chairman of the Company, Ms. Farah Malik Bhanji, Managing Director, Ms. Alisha Rafique Malik, Whole-time Director and their relatives, no other Director, KMP or their relatives are interested in or concerned, financially or otherwise, in passing the proposed resolution set out in Item No. 6.

The Board recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

ITEM NOS. 7, 8, 9, 10 and 11

Equity based compensation is considered to be an integral part of employee compensation across sectors which aims to reward employees for their contribution and performance, while motivating them to actively support the Company's growth. Basis these objectives, Company has already implemented 'METRO Stock Option Plan 2008' ("**ESOP 2008**" or "**Plan**").

Further, with a view to optimising the utilisation of the unallocated pool under ESOP 2008 and aligning the Company's equity-based compensation framework with its current business and talent objectives, it is considered appropriate to introduce the "Metro Brands Limited – Employee Stock Option Scheme 2026" ("**ESOS 2026**" or "**Scheme**").

Out of the erstwhile reserved pool of 53,00,000 (Fifty-Three Lakh) Options under ESOP 2008, 26,94,206 (Twenty-Six Lakh Ninety-Four Thousand Two Hundred and Six) Options had been vested and exercised, against which equity shares of the Company had been allotted. Of the balance, 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven) Options would continue to remain under ESOP 2008, while 11,95,157 (Eleven Lakh Ninety-Five Thousand One Hundred and Fifty-Seven) unallocated Options are proposed to be transferred to ESOS 2026.

ESOS 2026 would utilise the aforesaid unallocated Options from ESOP 2008. Therefore, there will be no incremental equity dilution to the extent of the Options so transferred.

Performance Evaluation at Grant Stage

In a shift from conventional stock option grant practices, which traditionally after granting Options link the vesting to achievement of certain performance, the Company is now embracing a more progressive, performance-based approach. Under this proposed ESOS 2026, eligibility for participation in the Scheme will be determined at the grant stage, ensuring that rewards are directly tied to each employee's contribution to the Company's success. This approach not only aligns employee incentives with the Company's strategic goals but also underscores the Company's commitment to recognizing and rewarding those who drive meaningful results and long-term value creation.

The performance appraisal and selection process shall be governed by mandatory performance criteria. Such criteria shall be based on the Employee's appraisal rating and/or other performance measures, which may include a combination of individual performance and corporate performance indicators, as determined by the NRC Committee from time to time.

Each eligible Employee must achieve a minimum expected performance rating of their designated performance targets, as determined through the Company's established performance appraisal framework.

Further, at the grant stage, the NRC Committee shall, in its discretion, determine the appropriate quantum of Options to be granted to the employees. In making this determination, the NRC Committee shall take into account the individual performance, assigning appropriate weight to each, depending on the employee's role within the organization.

Given this background, it is proposed to amend below listed clauses of ESOP 2008, to reflect the reduction of the respective unallocated pool and to facilitate the transfer of the remaining unallocated options from ESOP 2008 into ESOS 2026.

The Company has also considered it expedient to enable implementation of the trust route for carrying out the administrative activities of the Plan and the proposed ESOS 2026 through an irrevocable employee welfare Trust to be set up by the Company. The shares required for ESOP 2008 and the proposed ESOS 2026 shall be sourced by the Trust through secondary acquisition and/or primary issuance, with a view to ensuring ease of administration, including quicker turnaround time for transfer of shares to employees upon exercise and, wherever necessary, providing eventual assistance to employees in connection with such exercise. The amended ESOP 2008 shall be supervised by the NRC Committee.

The changes proposed in ESOP 2008 are:

Clause Ref in Plan	Existing Clause	Proposed amendment
Sub-clause 3.1 under Clause 3 – Authority and Ceiling	The shareholders of the Company have vide their special resolution dated August 05, 2021, approved ESOP 2008 authorizing the NRC Committee to grant not exceeding 53,00,000 (Fifty Three Lakh) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 53,00,000 (Fifty Three Lakh) Equity Shares, with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.	The shareholders of the Company by way of special resolution dated (date of shareholders approval) approved ESOP 2008 authorizing the NRC Committee to grant not exceeding 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven) Options to the eligible Employees in one or more tranches, from time to time, which in aggregate exercisable into not more than 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven) Shares. The Shares shall be sourced from the Secondary Acquisition and/or Primary Issuance, from time to time, through the Trust and in any case, the Shares acquired from Secondary Acquisition shall be subject to the ceiling above and in accordance with Applicable Laws. The Trust shall transfer the Shares to the Option Grantee upon Exercise of Options, in accordance with the terms and conditions as may be decided under Plan.
	Route: Direct Route Administration: NRC Committee Source of Shares: Primary Issuance	Route: Trust Route Administration: Trust Supervision: NRC Committee Source of Shares: Primary Issuance and/or Secondary Acquisition
Vesting of options in case of retirement	Under the existing Plan, in the event of retirement, all unvested Options of the Option Grantee stand cancelled pursuant to the following clause: "Unvested Options: All the Unvested Options of a Grantee will be cancelled."	With a view to aligning the existing Plan with the relevant regulations and prevailing market trends, the unvested Options in case of retirement shall continue to vest, and corresponding amendments have been made by inserting the following clause: "All Unvested Options as on the date of Retirement would continue to vest in accordance with the original vesting schedules even after the Retirement unless otherwise determined by the NRC Committee in accordance with the Company's Policies, if any, and provisions of the then prevailing Applicable Law. Such aforesaid Vested Options, if any, can be exercised within a period of 3 (Three) months from the date of such Vesting."
The necessary clauses in the Plan will be accordingly amended to give effect of the above proposed changes.		

Accordingly, the NRC Committee and the Board, at their respective meetings held August 04, 2026, have approved the proposed amendments, subject to prior approval of Members. As per the above rationale, the proposed amendments are not prejudicial to the interests of the employees. The beneficiaries of these amendments shall be the existing Option Grantees to the extent applicable and eligible Employees who may be granted Options in future under ESOP 2008.

The NRC Committee and the Board have also approved the draft of ESOS 2026 subject to your prior approval. The ESOS 2026 shall be administered by the Trust and supervised by the NRC Committee. The contemplated primary issuance and/or secondary acquisition shall be well within the ceiling prescribed under the SBEB Regulations.

In this background, the Company seeks your approval by way of a special resolution in terms of Regulation 6 and 7 of the SBEB Regulations, as detailed in Resolution Nos. 7, 8, 9, 10 and 11 of this Notice.

In terms of Section 62(1)(b) of the Act and Rules made thereunder read with Regulation 6 of SBEB Regulations, features of the "ESOP 2008" and "ESOS 2026" are given as under:

a. Brief Description of the scheme:

METRO Stock Option Plan 2008

Keeping in view the aforesaid objectives, ESOP 2008 contemplates Grant of Options to the eligible Employees of the Company and/ or its subsidiary, or its associate company or holding company exclusively working in India or outside India, as determined in terms of the Plan and in due compliance of SBEB Regulations. After vesting of Options, the eligible Employees earn a right (but not an obligation) to exercise the vested Options within the Exercise Period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The eligible Employees are expected to receive benefits based on their contribution to creating value for shareholders.

The NRC Committee shall supervise ESOP 2008. All questions of interpretation of ESOP 2008 shall be determined by the NRC Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2008.The Trust shall administer the ESOP 2008.

Metro Brands Limited – Employee Stock Option Scheme 2026

Keeping in view the aforesaid objectives, the ESOS 2026 contemplates Grant of Options to the eligible Employees of the Company or its subsidiary or its associate company, exclusively working in India or outside India, as determined in terms of the ESOS 2026 and in due compliance of SBEB Regulations. After vesting of Options, the eligible Employees earn a right (but not an obligation) to exercise the Vested Options within the Exercise Period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The eligible Employees are expected to receive benefits based on their contribution to creating value for shareholders.

The NRC Committee shall supervise the ESOS 2026. All questions of interpretation of the ESOS 2026 shall be determined by the NRC Committee and such determination shall be final and binding upon all persons having an interest in the ESOS 2026. The Trust shall administer the ESOS 2026.

b. Total number of Options to be granted:

METRO Stock Option Plan 2008

The total number of Options to be granted under ESOP 2008 shall not exceed 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven). Each Option when exercised would be converted into one equity share of face value of ₹ 5/- (Rupees Five Only) each fully paid-up.

Further, SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale or division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the NRC Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under ESOP 2008 remain the same after any such corporate action. Accordingly, if any additional Options are granted by the Company, for making such fair and reasonable adjustment, the ceiling as aforesaid shall be deemed to be increased to the extent of such additional Options granted.

Metro Brands Limited – Employee Stock Option Scheme 2026

The total number of Options to be granted under the ESOS 2026 shall not exceed 54,50,000 (Fifty-Four Lakh Fifty Thousand). Each Option when exercised would be converted into one equity share of face value of ₹ 5/- (Rupees Five Only) each fully paid-up.

Further, SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale or division etc., a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the NRC Committee shall adjust the number and price of the Options granted in such a manner that the total value of the Options granted under the ESOS 2026 remain the same after any such corporate action. Accordingly, if any additional Options are granted by the Company, for making such fair and reasonable adjustment, the ceiling as aforesaid shall be deemed to be increased to the extent of such additional Options granted.

c. Identification of classes of employees entitled to participate in the scheme:

METRO Stock Option Plan 2008

The proposed amendments are not intended to alter the eligibility criteria or the classes of employees entitled to participate in the ESOP 2008. Accordingly, the categories of eligible Employees shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

"Employee" means any person employed by the Company and given an appointment letter by the Company and will also include as defined below:

a) A permanent employee of the Company working in India or out of India; or

b) A director of the Company; whether a whole-time director or not; or

c) An employee as defined in sub-clause (a) or (b), of a Subsidiary Company(ies) or Associate Company(ies) in India or out of India, or of a Holding Company(ies) of the Company.

Provided however that the term Employee shall not include the following:

(a) An employee who is a Promoter or belongs to the Promoter group.

(b) A director who either by himself or through his relative or through any body corporate directly holds more than 10% of the outstanding equity shares of the Company.

(c) An Independent Director of the Company

The NRC Committee while granting the Options to any eligible Employee(s) of any subsidiary company or associate company or holding company, shall at its discretion, consider the factors including but not limited to the role(s) of such employee(s) for safeguarding the interest of the Company, or such employee's contribution to the Company.

In case Options are granted to the employees of subsidiary company or associate company or holding company, the cost attributable to such grants shall be charged to and borne by the respective subsidiary company or associate company or holding company. In circumstances where the subsidiary company or associate company or holding company reimburses the Company for any cost incurred in connection with the grant of such Options, both the Company and the subsidiary company or associate company or holding company shall duly disclose the payment or reimbursement, as the case may be, in the notes to accounts forming part of their respective financial statements, in accordance with applicable accounting standards and applicable laws.

Metro Brands Limited – Employee Stock Option Scheme 2026

Subject to determination or selection by the NRC Committee, following classes of employees are eligible being:

a) an employee as designated by the Company, who is exclusively working in India or outside India; or

b) a director of the Company, whether a whole time director or not; including a non-executive director who is not a Promoter or member of the Promoter Group; or

c) an employee as defined in sub-clauses (a) or (b), of a Subsidiary Company(ies) or Associate Company(ies) in India or outside India;

but does not include

a) an employee who is a Promoter or belongs to the Promoter Group;

b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company;

c) an Independent Director.

The NRC Committee while granting the Options to any eligible Employee(s) of any subsidiary company or associate company, shall at its discretion, consider the factors including but not limited to the role(s) of such employee(s) for safeguarding the interest of the Company, or such employee's contribution to the Company.

In case Options are granted to the employees of subsidiary company or associate company, the cost attributable to such grants shall be charged to and borne by the respective subsidiary company or associate company. In circumstances where the subsidiary company or associate company reimburses the Company for any cost incurred in connection with the grant of such Options, both the Company and the subsidiary company or associate company shall duly disclose the payment or reimbursement, as the case may be, in the notes to accounts forming part of their respective financial statements, in accordance with applicable accounting standards and applicable laws.

d. Requirements of Vesting and period of Vesting:

METRO Stock Option Plan 2008

The proposed amendments are not intended to modify the vesting requirements or the period of vesting applicable under ESOP 2008 except in case of retirement. Accordingly, the existing vesting conditions and vesting schedule shall continue to remain unchanged and shall be as approved by the shareholders, as detailed below:

All the Options granted on any date shall vest not earlier than the minimum vesting period of 1 (One) year and not later than the maximum vesting period of 5 (Five) years from the date of grant.

The vesting of Options shall be contingent upon the employee's continued employment with the Company or its subsidiary(ies) or associate company(ies) or holding company(ies), as applicable. In addition, the NRC Committee, in its sole discretion, may impose specific performance criteria, the satisfaction of which shall be required for the Options to vest. The NRC Committee shall have the authority to determine the performance parameters applicable to an employee or a class of employees, based on their respective roles, and to assign relative weightages to each parameter as it deems appropriate. The specific vesting schedule and vesting conditions subject to which vesting would take place would be outlined in the grant letter given to the Option grantee at the time of Grant of Options.

In the event of death or permanent incapacity of an employee, the minimum vesting period of 1 (One) year shall not be applicable and in such instances, all the unvested Options shall vest with effect from the date of the death or permanent incapacity.

In case of retirement, all unvested Options as on the date of retirement would continue to vest in accordance with the original vesting schedules, even after the retirement, unless otherwise determined by the NRC Committee in accordance with the Company's policies and provisions of the then prevailing applicable laws.

Further, in case of an eligible Employee who has been granted benefits under Plan and is deputed or transferred (including resignation in connection with transfer) to join its subsidiary company or associate company or holding company of the Company, prior to vesting or exercise, vesting schedule and Exercise Period to remain the same as per the terms of the grant.

Metro Brands Limited – Employee Stock Option Scheme 2026

All the Options granted on any date shall vest not earlier than the minimum vesting period of 1 (One) year and not later than the maximum vesting period of 3 (Three) years from the date of grant.

The vesting of Options shall be contingent upon the employee's continued employment with the Company or its subsidiary(ies) or associate company(ies), as applicable. The specific vesting schedule and vesting conditions subject to which vesting would take place would be outlined in the grant letter given to the Option grantee at the time of Grant of Options.

In the event of death or permanent incapacity of an employee, the minimum vesting period of 1 (One) year shall not be applicable and in such instances, all the unvested Options shall vest with effect from the date of the death or permanent incapacity.

In case of retirement, all unvested Options as on the date of retirement would continue to vest in accordance with the original vesting schedules, even after the retirement, unless otherwise determined by the NRC Committee in accordance with the Company's policies and provisions of the then prevailing applicable laws.

Further, in case of an eligible Employee who has been granted benefits under ESOS 2026 and is deputed or transferred (including resignation in connection with transfer) to join its subsidiary company or associate company of the Company, prior to vesting or exercise, vesting schedule and Exercise Period to remain the same as per the terms of the grant.

e. Maximum period within which the Options shall be vested:

METRO Stock Option Plan 2008

The proposed amendments are not intended to alter the maximum vesting period prescribed under ESOP 2008. Accordingly, the maximum period within which the Options may vest shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

All the Options granted on any date shall vest not later than the maximum vesting period of 5 (Five) years from the date of each grant.

Metro Brands Limited – Employee Stock Option Scheme 2026

All the Options granted on any date shall vest not later than the maximum vesting period of 3 (Three) years from the date of each grant.

f. Exercise price or pricing formula:

METRO Stock Option Plan 2008

The proposed amendments are not intended to amend the exercise price or pricing formula prescribed under ESOP 2008. Accordingly, the exercise price or pricing formula shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

The Exercise Price per Option is to be determined by the NRC Committee at the time of Grant, referencing the Market Price, not being less than the face value of a Share on the Grant Date.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Exercise Price per Option shall be determined by the NRC Committee, subject to a maximum discount of up to 50% (Fifty percent) of the Volume-Weighted Average Price for the calendar quarter immediately preceding the Grant Date. However, the Exercise Price per Option shall not be less than the face value of the Share of the Company. The specific exercise price shall be intimated to the Option grantee in the Grant letter at the time of Grant.

g. Exercise Period and the process of exercise:

METRO Stock Option Plan 2008

The proposed amendments are not intended to modify the Exercise Period applicable under ESOP 2008. Accordingly, the existing Exercise Period shall remain unchanged and continue to be as approved by the shareholders, as detailed below, however the process of Exercise stands modified to the extent of administration of ESOP 2008 through Trust:

The Exercise Period shall expire after 5 (Five) years from the respective date(s) of Vesting of Options or after 2 (Two) years from the date of listing of the Company's Shares in any recognized Stock Exchanges, whichever is later.

The Vested Options shall be exercisable by the eligible Employees by a written application to the Trust/ Company expressing his/ her desire to exercise such Options in such manner and in such format as may be prescribed by the NRC Committee from time to time. Exercise of Options shall be entertained only after payment of the requisite Exercise Price and satisfaction of applicable taxes by the eligible Employee. The Options shall lapse if not exercised within the specified Exercise Period.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Exercise Period for vested Options shall be a maximum of 4 (Four) years commencing from the relevant date of Vesting of Options, or such other shorter period as may be prescribed by the NRC Committee at the time of grant.

The vested Options shall be exercisable by the eligible employees by a written application to the Trust/ Company expressing his/ her desire to exercise such Options in such manner and in such format as may be prescribed by the NRC Committee from time to time. Exercise of Options shall be entertained only after payment of the requisite exercise price and satisfaction of applicable taxes by the eligible Employee. The Options shall lapse if not exercised within the specified Exercise Period.

h. Appraisal process for determining the eligibility of Employees under the scheme:

METRO Stock Option Plan 2008

The proposed amendments are not intended to alter the appraisal process to determine employees' eligibility to participate in ESOP 2008. Accordingly, the existing appraisal process shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

The appraisal process for determining eligibility shall be decided from time to time by the NRC Committee. The broad criteria for appraisal and selection may include parameters like length of service, grade, role, individual or corporate performance ratings, present or future contribution, etc., and such other criteria as may be determined by the NRC Committee at its sole discretion, from time to time.

Metro Brands Limited – Employee Stock Option Scheme 2026

The appraisal process for determining eligibility shall be decided from time to time by the NRC Committee. The broad criteria for appraisal and selection may include parameters like length of service, grade, role, individual performance ratings, present or future contribution, etc., and such other criteria as may be determined by the NRC Committee at its sole discretion, from time to time.

i. Maximum number of Options to be issued per employee and in aggregate:

METRO Stock Option Plan 2008

The proposed amendments are not intended to modify the maximum number of Options that may be granted to any eligible Employee or the aggregate number of Options available under ESOP 2008. Accordingly, the existing limits shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

The maximum number of Options under the Plan that may be granted to each Employee per Grant and in aggregate (taking into account all Grants) vary depending upon the designation and the appraisal/ assessment process, however, shall not exceed 5,00,000 (Five Lakh) Options at the time of Grant.

Provided that prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any identified Employee, during any one year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Options.

Metro Brands Limited – Employee Stock Option Scheme 2026

The maximum number of Options under the Scheme that may be granted to each Employee per Grant and in aggregate (taking into account all Grants) vary depending upon the designation and the appraisal/ assessment process. However, per Employee and per Grant shall not exceed 1,00,000 (One Lakh) and in aggregate shall not exceed 7,00,000 (Seven Lakh) Options at the time of Grant.

Provided that prior approval of shareholders of the Company in the general meeting by passing special resolution shall be obtained in case the Grant of Options to any identified Employee, during any one year, is equal to or exceeding 1% (one percent) of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of Options.

j. Maximum quantum of benefits to be provided per employee:

METRO Stock Option Plan 2008

The proposed amendments are not intended to alter the maximum quantum of benefits that may accrue to or be provided to an employee under ESOP 2008. Accordingly, it shall remain unchanged and continue to be as approved by the shareholders, as detailed below:

The maximum quantum of benefits contemplated under ESOP 2008 are in terms of the maximum number of Options that may be granted to an eligible Employee as specified in ESOP 2008.

Apart from the Grant of Options as stated above, no other benefits are contemplated under ESOP 2008.

Metro Brands Limited – Employee Stock Option Scheme 2026

The maximum quantum of benefits contemplated under the ESOS 2026 are in terms of the maximum number of Options that may be granted to an eligible Employee as specified in the ESOS 2026.

Apart from the Grant of Options as stated above, no other benefits are contemplated under the ESOS 2026.

k. Route of the scheme implementation:

METRO Stock Option Plan 2008

ESOP 2008 shall be implemented and administered through the Trust to be set up by the Company and shall be supervised by the NRC Committee.

Metro Brands Limited – Employee Stock Option Scheme 2026

The ESOS 2026 shall be implemented and administered through the Trust to be set up by the Company and shall be supervised by the NRC Committee.

l. Source of acquisition of shares under the scheme:

METRO Stock Option Plan 2008

The ESOP 2008 contemplates acquisition of Shares not exceeding 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven) from the secondary acquisition through the Trust. However, the Company retains the right to source the Shares through primary issuance, should the circumstances necessitate.

Metro Brands Limited – Employee Stock Option Scheme 2026

The ESOS 2026 contemplates acquisition of Shares not exceeding 54,50,000 (Fifty-Four Lakh Fifty Thousand) from the secondary acquisition through the Trust. However, the Company retains the right to source the Shares through primary issuance, should the circumstances necessitate.

m. Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

METRO Stock Option Plan 2008

The Company shall provide necessary financial assistance by grant of a loan, provision of a guarantee or security in connection with a loan to the Trust, subject to 5% (Five Percent) of the paid-up capital and free reserves, being the statutory ceiling under SBEB Regulations. The loan amount may be disbursed in one or more tranches.

The loan provided by the Company shall be interest-free with tenure of such loan based on the term of the Plan and shall be repayable to the Company from realization of proceeds of exercise/ permitted sale/ transfer of Shares and any other eventual income of the Trust.

The Trust shall utilise the loan amount disbursed from time to time strictly for the purposes of ESOP 2008.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Company shall provide necessary financial assistance by grant of a loan, provision of a guarantee or security in connection with a loan to the Trust, subject to 5% (Five Percent) of the paid-up capital and free reserves, being the statutory ceiling under SBEB Regulations. The loan amount may be disbursed in one or more tranches.

The loan provided by the Company shall be interest-free with tenure of such loan based on the term of the ESOS 2026 and shall be repayable to the Company from realization of proceeds of exercise/ permitted sale/ transfer of Shares and any other eventual income of the Trust.

The Trust shall utilise the loan amount disbursed from time to time strictly for the purposes of ESOS 2026.

n. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:

METRO Stock Option Plan 2008

All the Shares i.e., 14,10,637 (Fourteen Lakh Ten Thousand Six Hundred and Thirty-Seven), approx. 0.52% of paid-up capital, reserved under ESOP 2008 may be acquired by secondary acquisition which shall be well within the statutory limit as prescribed under the SBEB Regulations.

Metro Brands Limited – Employee Stock Option Scheme 2026

All the Shares i.e., 54,50,000 (Fifty-Four Lakh Fifty Thousand), approx. 2% of paid-up capital, reserved under the ESOS 2026 may be acquired by secondary acquisition which shall be well within the statutory limit as prescribed under the SBEB Regulations.

o. Accounting and Disclosure Policies:

METRO Stock Option Plan 2008

The Company shall follow the relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Act and/ or any relevant accounting standards/ guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of SBEB Regulations.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Company shall follow the relevant accounting standards as may be prescribed by the Central Government in terms of Section 133 of the Act and/ or any relevant accounting standards/ guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of SBEB Regulations.

p. Method of Option valuation:

METRO Stock Option Plan 2008

The Company shall adopt 'fair value method' for valuation of Options as prescribed under IndAS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Company shall adopt 'fair value method' for valuation of Options as prescribed under IndAS 102 on Share-based payments or any accounting standard/ guidance note, as applicable, notified by competent authorities from time to time.

q. Declaration:

METRO Stock Option Plan 2008

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

Metro Brands Limited – Employee Stock Option Scheme 2026

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

r. Period of lock-in:

METRO Stock Option Plan 2008

The Shares issued/ transferred pursuant to the exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws, including that under the Code of Conduct framed by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, shall apply.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Shares issued/ transferred pursuant to the exercise of Options shall not be subject to any lock-in period restriction except such restrictions as may be prescribed under applicable laws, including that under the Code of Conduct framed by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015, as amended, shall apply.

s. Terms & conditions for buyback, if any, of specified securities/ Options covered, granted under the scheme:

METRO Stock Option Plan 2008

Subject to the provisions of the then prevailing applicable laws, the Board shall determine the procedure for buy-back of the specified securities/ Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

Metro Brands Limited – Employee Stock Option Scheme 2026

Subject to the provisions of the then prevailing applicable laws, the Board shall determine the procedure for buy-back of the specified securities/ Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

The draft copy of ESOS 2026 and amended ESOP 2008, shall be available for inspection through electronic mode in the manner set out in Note No. 36 of this Notice.

None of the Directors and KMP of the Company, including their relatives, are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under ESOP 2008 and ESOS 2026.

In this background, the Company seeks your approval by way of a special resolution pursuant to:

i. Section 62(1)(b) of the Act read with Regulations 3 and 7 of SBEB Regulations, for reducing the ESOP Pool of ESOP 2008; in agenda Item no. 7;

ii. Section 62(1)(b) of the Act read with Regulations 3 and 6 of the SBEB Regulations, for the implementation of ESOS 2026 through Trust route; in agenda Item no. 8;

iii. (a) Rule 12(4)(a) of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 6(3)(c) of the SBEB Regulations, a separate resolution, for extending and granting the Options under the ESOP 2008 to the eligible Employees of its subsidiary company, working in India or outside India; in agenda Item no. 9a;

(b) Rule 12(4)(a) of Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 6(3)(c) of the SBEB Regulations, a separate resolution, for extending and granting the Options under ESOS 2026 to the eligible Employees of its subsidiary company, working in India or outside India; in agenda Item no. 10a;

iv. (a) Regulation 6(3)(c) of the SBEB Regulations, a separate resolution, for extending and granting the Options under the ESOP 2008 to the eligible Employees of its associate company, working in India or outside India; in agenda Item no. 9b;

(b) Regulation 6(3)(c) of the SBEB Regulations, a separate resolution, for extending and granting the Options under the ESOS 2026 to the eligible Employees of its associate company, working in India or outside India; in agenda Item no. 10b;

v. (a) Regulation 6(3)(a) of the SEBI SBEB Regulations, a separate resolution, for secondary acquisition of shares through Trust route for the implementation of ESOP 2008; in agenda Item no. 11a; and

(b) Regulation 6(3)(a) of the SEBI SBEB Regulations, a separate resolution, for secondary acquisition of shares through Trust route for the implementation of ESOS 2026; in agenda Item no. 11b;

ITEM NO. 12:

The Company intends to modify the ESOP 2008 and also implement ESOS 2026 for which approval is sought from the members in separate resolution at Item Nos. 7 to 11. The proposed amended ESOP 2008 and ESOS 2026 shall be administered through an irrevocable Trust to be set up by the Company. The proposed amended ESOP 2008 and ESOS 2026 contemplates acquisition of equity shares of face value of ₹ 5/- (Rupees Five only) each fully paid-up of the Company from secondary acquisition and/or primary issuance of Shares, through the Trust.

The Members may note that, for facilitating acquisition, the amount of loan to be provided by the Company under ESOP 2008 and ESOS 2026 shall not exceed 5% (Five percent) of the aggregate of the paid-up capital and free reserves of the Company being the statutory ceiling as per the Section 67 of the Act read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and relevant provisions of the SBEB Regulations.

The loan provided by the Company shall be interest-free with tenure of such loan based on the terms of ESOP 2008 and ESOS 2026 and shall be repayable to the Company upon realization of proceeds on permitted sale/ transfer of Shares, including realization of exercise price and any other eventual income of the Trust.

Necessary details in this regard are provided as under:

i. The class of employees for whose benefit the Scheme is being implemented and money is being provided for acquisition of the Shares:

METRO Stock Option Plan 2008

"Employee" means any person employed by the Company and given an appointment letter by the Company and will also include as defined below:

a) A permanent employee of the Company working in India or out of India; or

b) A director of the Company; whether a whole-time director or not; or

c) An employee as defined in sub-clause (a) or (b), of a Subsidiary Company(ies) or Associate Company(ies) in India or out of India, or of a Holding Company(ies) of the Company.

Provided however that the term Employee shall not include the following:

(a) An employee who is a Promoter or belongs to the Promoter group.

(b) A director who either by himself or through his relative or through any body corporate directly holds more than 10% of the outstanding equity shares of the Company.

(c) An Independent Director of the Company

Metro Brands Limited – Employee Stock Option Scheme 2026

Subject to determination or selection by the NRC Committee, following classes of employees are eligible being:

a) an employee as designated by the Company, who is exclusively working in India or outside India; or

b) a director of the Company, whether a whole time director or not; including a non-executive director who is not a Promoter or member of the Promoter Group; or

c) an employee as defined in sub-clauses (a) or (b), of Subsidiary Company or Associate Company in India or outside India;

but does not include

a) an employee who is a Promoter or belongs to the Promoter Group;

b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company;

c) an Independent Director.

ii. The particulars of the Trustee or employees in whose favour such Shares are to be registered:

METRO Stock Option Plan 2008

The Trust will acquire equity shares by way of primary issuance by the Company and/or through secondary acquisition of equity shares of the Company. The equity shares will be registered in the name of the Trust or any one or more of its Trustees, to hold such equity shares for and on behalf of the Trust, in compliance with the provisions of the Act and the SBEB Regulations. The equity shares acquired by the Trust shall be transferred to the employees on exercise of vested Options and registered in their respective names upon such transfer.

Metro Brands Limited – Employee Stock Option Scheme 2026

The Trust will acquire equity shares by way of primary issuance by the Company and/or through secondary acquisition of equity shares of the Company. The equity shares will be registered in the name of the Trust or any one or more of its Trustees, to hold such equity shares for and on behalf of the Trust, in compliance with the provisions of the Act and the SBEB Regulations. The equity shares acquired by the Trust shall be transferred to the employees on exercise of vested Options and registered in their respective names upon such transfer.

iii. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or KMP, if any:

METRO Stock Option Plan 2008

The ESOP 2008 will be administered by an irrevocable employee welfare trust, namely Metro Brands ESOP Trust ("**Trust**"), constituted by the Company.

Name and address of the irrevocable Trust:

Metro Brands ESOP Trust
401, Zillion, 4th Floor,
LBS & CST Road Junction,
Kurla (West), Mumbai – 400070

The Trustee of the Trust has been appointed by the Board in compliance with the applicable provisions of the Act and the SBEB Regulations. The Trustee is not related with the promoter, promoter group, directors or KMP.

Details of the Trustee:

Sr. No.	Name	Address	Occupation	Nationality
1	Qapita EquityTech Limited (formerly known as KP Corporate Solutions Limited)	IndiQube, The Kode, 7th Floor, S.No. 134, Hissa No. 1/38, CTS No. 2265 to 2273, Baner Pashan Link Road, Pune, Maharashtra-411045	Corporate Trustee	Indian

Metro Brands Limited – Employee Stock Option Scheme 2026

The ESOP 2026 will be administered by the irrevocable employee welfare trust, namely Metro Brands ESOP Trust ("**Trust**"), constituted by the Company.

Name and address of the irrevocable Trust:

Metro Brands ESOP Trust
401, Zillion, 4th Floor,
LBS & CST Road Junction,
Kurla (West), Mumbai – 400070

The Trustee of the Trust Has been appointed by the Board in compliance with the applicable provisions of the Act and the SBEB Regulations. The Trustee is not related with the promoter, promoter group, directors or KMP.

Details of the Trustee:

Sr. No.	Name	Address	Occupation	Nationality
1	Qapita EquityTech Limited (formerly known as KP Corporate Solutions Limited)	IndiQube, The Kode, 7th Floor, S.No. 134, Hissa No. 1/38, CTS No. 2265 to 2273, Baner Pashan Link Road, Pune, Maharashtra-411045	Corporate Trustee	Indian

iv. Any interest of KMPs, Directors or Promoters in such Scheme or Trust and effect thereof:

METRO Stock Option Plan 2008

Promoters are not eligible to be covered under the Plan. However, KMP and Directors (excluding independent directors) may be covered under ESOP 2008 in due compliance with the relevant applicable SBEB Regulations.

Metro Brands Limited – Employee Stock Option Scheme 2026

Promoters are not eligible to be covered under the ESOS 2026. However, KMP and Directors (excluding independent directors) may be covered under the ESOS 2026 in due compliance with the relevant applicable SBEB Regulations.

v. The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme:

METRO Stock Option Plan 2008

The maximum quantum of benefits contemplated under ESOP 2008 are in terms of the maximum number of Options that may be granted to an eligible Employee as specified in ESOP 2008.

Apart from the Grant of Options as stated above, no other benefits are contemplated under ESOP 2008.

Metro Brands Limited – Employee Stock Option Scheme 2026

The maximum quantum of benefits contemplated under the ESOS 2026 are in terms of the maximum number of Options that may be granted to an eligible Employee as specified in the ESOS 2026.

Apart from the Grant of Options as stated above, no other benefits are contemplated under the ESOS 2026.

vi. The details about who would exercise and how the voting rights in respect of the Shares to be acquired under the Scheme would be exercised:

METRO Stock Option Plan 2008

The trustee of the Trust shall not vote in respect of Shares held in the Trust as per extant SBEB Regulations. In this circumstance, the voting rights can be exercised by an eligible Employee only when the Shares are transferred by the Trust to him/ her upon exercise.

Metro Brands Limited – Employee Stock Option Scheme 2026

The trustee of the Trust shall not vote in respect of Shares held in the Trust as per extant SBEB Regulations. In this circumstance, the voting rights can be exercised by an eligible Employee only when the Shares are transferred by the Trust to him/ her upon exercise.

None of the directors and/ or KMP of the Company, including their relatives are interested or concerned in the Trust/ resolution, except to the extent of their entitlements, if any, under ESOP 2008 and ESOS 2026.

In this background, the Company seeks your approval by way of a special resolution as set forth in the agenda item no. 12 of the Notice, in terms of Section 67 of the Companies Act, 2013, read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, and Regulation 3(8) of the SBEB Regulations, for approving provision of money by the Company for the purchase of its own Shares by the Trust for the implementation of ESOP 2008 and ESOS 2026.

By Order of the Board of Directors
For Metro Brands Limited

Sd/-
Rafique Abdul Malik
DIN: 00521563
Chairman and Non-Executive Director

Place: Mumbai
Date: August 04, 2026

Annexure

Details of Directors seeking re-appointment at the AGM

(Additional Information of Directors seeking re-appointment as required under Regulation 36(3) of Listing Regulations, as amended and SS-2 on General Meetings issued by the ICSI)

Particulars	Item No. 3	Item No. 4	Item No. 5
Name	Ms. Alisha Rafique Malik	Ms. Farah Malik Bhanji	Mr. Sonny Iqbal
Designation	Whole-time Director	Managing Director	Additional Director
Director Identification Number (DIN)	10719537	00530676	02962053
Date of Birth/ Age	July 25, 1986 (Age 40 years)	August 31, 1976 (Age 49 years)	July 23,1960 (Age 66 years)
Nationality	USA	USA	Indian
Qualification	Ms. Malik holds a bachelor's degree in Arts (Finance) from University of Northumbria conducted at Welingkar Institute of Management Development and Research.	Ms. Bhanji holds a bachelor's degree in arts and a bachelor's degree in business administration from the University of Texas at Austin. Ms. Bhanji has also completed owner/ president management program from Harvard Business School	Mr. Iqbal holds a BA (Hons) from St. Stephen's College, University of Delhi, an MBA in Marketing from the University of Surrey, UK and a Postgraduate Diploma from the Oberoi Centre of Learning and Development.
Original Date of Joining the Board	September 01, 2024	December 05, 2005	August 05, 2026
Experience (approx.)	17 Years	25 Years	47 years
Brief resume and nature of expertise in specific functional areas	Ms. Alisha Rafique Malik has been associated with the Company since 2009, during which she has been a key architect in introducing new ideas and strategies for the growth of the organization. She set up an excellent business growth strategy to outline e-commerce, omnichannel and new-age marketing. She is the woman behind the Company's growing digital presence and has led from the front as Whole-time Director and President – E-Commerce & Marketing. She has now taken on the challenge of pivoting the Company into the Sports and Athleisure segment by overseeing the Sports Division consisting of the brands Footlocker, Fila and New Era.	Ms. Farah Malik Bhanji is the Managing Director on Board of the Company. She commenced her journey with the Company in 2000, navigating through diverse roles and responsibilities to ascend to the position of managing director. A distinguished alumnus of the University of Texas at Austin, her commitment to continuous learning is evident through her attendance at the Owner/President Program at the prestigious Harvard Graduate School of Business. With over two decades of invaluable experience in the field of retail, Ms. Bhanji has emerged as a visionary force in reshaping the Company for the new age. Armed with formidable business acumen, an attention to detail, and a keen eye for fashion, Ms. Bhanji has spearheaded the Company into the era of modern retailing. Her resolute focus on technological advancement, data-driven decision-making, and pioneering adoption of AI technologies echoes not just as a strategy but a drive for excellence.	Mr. Sonny Iqbal is a global expert in Leadership Development, Organization Consulting, and Family Enterprise Advisory, counselling businesses both in India and internationally. He spent 27 years at Egon Zehnder, where he helped establish the firm's offices in New Delhi, Bengaluru, and Mumbai. He continues his association with the firm as a Senior Advisor. At Egon Zehnder, Mr. Iqbal co-founded and co-led the firm's global Family Business Advisory Practice, guiding multigenerational enterprises through succession, founder transition, governance structures, and professionalization. His work with the practice has been published in several papers, including six articles in the Harvard Business Review. He also served as Chair of the firm's Partner Candidate Evaluation Group and as a member of its Nomination Committee. He is also a Senior Advisor at ChrysCapital, one of India's largest private equity firms and also serves on various Boards.

Particulars	Item No. 3	Item No. 4	Item No. 5
		Her strategic leadership has solidified relationships with the Company's extensive 250+ vendor base, instrumental in expanding the store network from 100 stores in 2010 to an impressive 1000+ stores across India. She has also fostered an environment conducive to the professional advancement of its employees.	Prior to Egon Zehnder, Mr. Iqbal held key positions with the Oberoi Group across India, the United Kingdom, and the Middle East, and managed the financial and travel services business of American Express in India.
Details of remuneration sought to be paid/ Remuneration last drawn	Not exceeding ₹ 5 Crore p.a. as per the special resolution passed in the AGM held on September 19, 2024. Remuneration last drawn during FY 2025-26: ₹1.63 crore.	Not exceeding ₹ 10 Crore p.a. as detailed in the explanatory statement, to be determined by the Board/ NRC Committee Remuneration last drawn during FY 2025-26: ₹3.86 crore	Sitting Fees & Commission as approved by the Board for Non-executive Directors from time to time within the overall limits approved by the Members.
Disclosure of relationship with other Directors/KMP	Ms. Alisha Rafique Malik, Whole-time Director is the daughter of Mr. Rafique Abdul Malik, Chairman and sister of Ms. Farah Malik Bhanji, Managing Director	Ms. Farah Malik Bhanji, Managing Director is the daughter of Mr. Rafique Abdul Malik, Chairman and sister of Ms. Alisha Rafique Malik, Whole-time Director	NIL
Number of Equity Shares held in the Company	78,98,000	39,34,000	NIL
Number of Equity Shares held in the Company for any other person on a beneficial basis	NIL	Ms. Farah Malik Bhanji holds 7,53,70,920 Equity Shares of ₹ 5/- each as a Trustee of Rafique Malik Family Trust and 7,64,47,600 Equity Shares of ₹ 5/- each as a Trustee of Aziza Malik Family Trust	NIL
List of Directorship in other Companies as on March 31, 2026	Nexon Omniverse Limited	1. Metro Athleisure Limited 2. Metro Plaza Arcade Private Limited 3. Metro House Private Limited 4. Metro Shopping Arcade Private Limited	Pratham Education Foundation
List of Companies from which resigned in the past three years	NIL	NIL	NIL
Memberships/ Chairmanships across Listed Entities	NIL	**Metro Brands Limited:** 1. Corporate Social Responsibility & Sustainability Committee – Chairperson 2. Risk Management Committee – Chairperson 3. Audit Committee – Member 4. Stakeholders Relationship Committee – Member	NA
Details of Board / Committee Meetings attended by the Director during the year	Details mentioned in the Corporate Governance Report	Details mentioned in the Corporate Governance Report	NA