



METRO BRANDS LIMITED

Metro Brands Limited (“Company” or “Issuer”) was originally incorporated as “Metro Shoes Private Limited”, a private limited company under the Companies Act, 1956 on January 19, 1977, at Mumbai, Maharashtra. The name of our Company was subsequently changed to “Metro Shoes Limited” on May 18, 1992 upon conversion into a deemed public company. Thereafter, our Company was converted into a private limited company and the name was changed to “Metro Shoes Private Limited” with effect from October 16, 2002. Subsequently, the name of our Company was again changed to “Metro Shoes Limited” pursuant to a special resolution passed by the shareholders of our Company on March 21, 2007. A fresh certificate of incorporation consequent to change of name was issued by the RoC on May 14, 2007. Thereafter, the name of our Company was further changed to “Metro Brands Limited” pursuant to a special resolution passed by the shareholders of our Company on August 3, 2018. A fresh certificate of incorporation pursuant to change of name was issued by the RoC on September 6, 2018. For further details in relation to change in name and Registered Office of our Company, see “History and Certain Corporate Matters” on page 181.

Registered and Corporate Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai- 400 070, Maharashtra, India; **Tel:** + (91) 22 2654 7700

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E-mail: investor.relations@metrobrands.com; **Website:** www.metrobrands.com; **Corporate Identity Number:** U19200MH1977PLC019449

OUR PROMOTERS: RAFIQUE A. MALIK, FARAH MALIK BHANJI, ALISHA RAFIQUE MALIK, RAFIQUE MALIK FAMILY TRUST AND AZIZA MALIK FAMILY TRUST

INITIAL PUBLIC OFFERING OF 27,350,100* EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH (“EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 500 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 495 PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING TO ₹ 13,675.05 MILLION (THE “OFFER”) COMPRISING A FRESH ISSUE OF 5,900,000* EQUITY SHARES AGGREGATING TO ₹ 2,950 MILLION BY OUR COMPANY (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF 21,450,100* EQUITY SHARES AGGREGATING TO ₹ 10,725.05 MILLION BY THE SELLING SHAREHOLDERS COMPRISING 13,015,000 EQUITY SHARES AGGREGATING TO ₹ 6,507.50 MILLION BY THE PROMOTER SELLING SHAREHOLDERS, 8,427,000 EQUITY SHARES AGGREGATING TO ₹ 4,213.50 MILLION BY THE PROMOTER GROUP SELLING SHAREHOLDERS AND 8,100 EQUITY SHARES AGGREGATING TO ₹ 4.05 MILLION BY THE OTHER SELLING SHAREHOLDER (TOGETHER THE “OFFER FOR SALE”). THE OFFER WOULD CONSTITUTE 10.07 % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

*SUBJECT TO THE FINALISATION OF THE BASIS OF ALLOTMENT

THE OFFER PRICE IS 100 TIMES THE FACE VALUE OF THE EQUITY SHARES.

The Offer was made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”), read with Regulation 31 of the SEBI ICDR Regulations. The Offer was made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs and such portion, the “QIB Portion”). Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”), out of which one-third was reserved for domestic Mutual Funds only, subject to valid Bids received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (“Anchor Investor Allocation Price”), in accordance with the SEBI ICDR Regulations. Further, 5% of the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (“Net QIB Portion”) was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were mandatorily required to utilise the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA accounts and UPI ID in case of RIBs using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount was blocked by the Self Certified Syndicate Banks (“SCSBs”) or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA Process. For further details, see “Offer Procedure” on page 369.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 5 each. The Floor Price, the Offer Price or the Price Band (determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Offer Price” on page 113), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 29.

OUR COMPANY’S AND SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders accepts responsibility for, and confirms, that the statements made or confirmed by it in this Prospectus to the extent that the statements and information specifically pertain to it and the Equity Shares offered by it under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received ‘in-principle’ approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 2, 2021 and September 3, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A copy of the Red Herring Prospectus was filed and this Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents which were available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see “Material Contracts and Documents for Inspection” on page 486.

BOOK RUNNING LEAD MANAGERS

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BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

ICICI Securities Limited ICICI Venture House, Appasahb Marathe Marg, Prabhadevi, Mumbai- 400 025 Maharashtra, India Tel: +91 22 6807 7100 E-mail: metro.ipo@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Sameer Purohit/ Monank Mehta SEBI Registration No.: INM000011179	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai Maharashtra – 400 025, India Tel: +(91) 22 7193 4380 E-mail: metro.ipo@motilalosal.com Website: www.motilalosalgroup.com Investor grievance e-mail: moiapdressal@motilalosal.com Contact person: Subodh Mallya / Ritu Sharma SEBI Registration No.: INM000011005	Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India Telephone: +91 22 4918 6200 E-mail: metrobrands.ipo@linkintime.co.in Investor grievance E-mail: metrobrands.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/OFFER PROGRAMME

BID/OFFER OPENED ON	Friday, December 10, 2021¹
BID/OFFER CLOSED ON	Tuesday, December 14, 2021

¹The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date i.e. on Thursday, December 9, 2021.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Industry Overview”, Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Offer Price”, “Outstanding Litigation and Other Material Developments”, “Restriction on Foreign Ownership of Indian Securities” and “Description of Equity Shares and Terms of Articles of Association”, on pages 121, 178, 116, 211, 113, 325, 387 and 389, respectively, will have the meaning ascribed to such terms in those respective sections.

Company and Selling Shareholders related terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Metro Brands Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai- 400 070, Maharashtra, India
“we”, “us”, “our” or “Group”	Unless the context otherwise indicates or implies, refers to our Company, our Subsidiary
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended
“Audit Committee”	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations and as described in “ <i>Our Management</i> ” on page 188
“Board” or “Board of Directors”	The board of directors of our Company, as constituted from time to time
“Chairman”	The chairman of our Board, being Rafique A. Malik.
“Chief Financial Officer”	The chief financial officer of our Company, being Kaushal Khodidas Parekh
“Company Secretary and Compliance Officer”	Company secretary and compliance officer of our Company, being Tarannum Yasinhusein Bhanpurwala
“Corporate Social Responsibility Committee”	The corporate social responsibility committee of our Board constituted in accordance with the Companies Act, 2013 as described in “ <i>Our Management</i> ” on page 188
“CRISIL”	CRISIL Limited
“CRISIL Report”	Report titled “ <i>Assessment of organised retail and footwear industries in India</i> ” dated August 2021 prepared by CRISIL along with the addendum dated November 2021
“Deed of Adherence”	Deed of adherence dated December 18, 2017 entered into between Rafique A. Malik, Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust, Sabina Malik Family Trust, Aziza Rafique Mailk, Zarah Rafique Malik, Farah Malik Bhanji, Rafique Malik Family Trust, Aziza Malik Family Trust, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik, Rukshana Javeri, Rekha Rakesh Jhunjunwala, Aryavir Jhunjunwala Discretionary Trust, Aryaman Jhunjunwala Discretionary Trust, Nishtha Jhunjunwala Discretionary Trust and our Company
“Director(s)”	Director(s) on the Board of our Company, as appointed from time to time
“Equity Shares”	Equity shares of our Company of face value of ₹5 each
“Executive Directors”	Executive director(s) of our Company. For further details of the Executive Directors, see “ <i>Our Management</i> ” on page 188
ESOP 2008	Metro Stock Option Plan 2008
“Group Companies”	Our group companies as disclosed in the section “ <i>Group Companies</i> ” on page 208

Term	Description
“IPO Committee”	The IPO committee of our Board constituted on May 2, 2018 and last reconstituted <i>vide</i> resolution of the Board dated July 27, 2021
“Independent Director”	A non-executive, independent Director appointed as per the Companies Act, 2013 and the Listing Regulations. For further details of our Independent Directors, see “ <i>Our Management</i> ” on page 188
“Joint Venture”	The joint venture of our Company, being M.V. Shoe Care Private Limited. For further details, see “ <i>Our Subsidiary and Joint Venture</i> ” on page 186
“KMP” or “Key Managerial Personnel”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013, as disclosed in “ <i>Our Management</i> ” on page 188
“Managing Director”	The managing director of our Company, being Farah Malik Bhanji
“Materiality Policy”	The materiality policy of our Company adopted pursuant to a resolution of our Board dated July 27, 2021 for identification of the material (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended
“Nomination, Remuneration and Compensation Committee”	The nomination, remuneration and compensation committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, and as described in “ <i>Our Management</i> ” on page 188
“Non – executive Director(s)”	A Director, not being an Executive Director
“Other Selling Shareholder”	Rakesh Hridaynarayan Pathak
“Promoters”	Promoters of our Company namely, Rafique A. Malik, Farah Malik Bhanji, Alisha Rafique Malik, Rafique Malik Family Trust and Aziza Malik Family Trust. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 203
“Promoter Group”	Such individuals and entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 203
“Promoter Selling Shareholders”	Farah Malik Bhanji (jointly with Rafique A. Malik), Alisha Rafique Malik (jointly with Rafique A. Malik), Rafique Malik Family Trust and Aziza Malik Family Trust
“Promoter Group Selling Shareholders”	Zarah Rafique Malik (jointly with Rafique A. Malik), Zia Malik Lalji (jointly with Rafique A. Malik), and Sabina Malik Hadi (jointly with Rafique A. Malik)
“Registered and Corporate Office”	The registered and corporate office of our Company situated at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400 070, Maharashtra, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Maharashtra at Mumbai
“Restated Consolidated Financial Information”	The restated consolidated financial information of the Group and the joint venture comprise of the restated consolidated statement of assets and liabilities for the six months period ended September 30, 2021 and September 30, 2020 and as at March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the six months period ended September 30, 2021 and September 30, 2020 and for the period ended March 31, 2021, March 31, 2020 and March 31, 2019 and the summary of significant accounting policies and explanatory notes and notes to restated consolidated financial information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended
“Selling Shareholders”	Collectively, the Promoter Selling Shareholders, Promoter Group Selling Shareholders and the Other Selling Shareholder
“Subsidiary”	The subsidiary of our Company being, Metmill Footwear Private Limited. For further details, see “ <i>Our Subsidiary and Joint Venture</i> ” on page 186

Term	Description
“Subscription and Shareholders’ Agreement”	Subscription and Shareholders Agreement dated January 18, 2007 entered into between Rafique A. Malik, Aziza Rafique Malik, Rakesh R. Jhunjunwala and our Company read with the letter dated March 12, 2007 from Rakesh R. Jhunjunwala to our Company
“Supplementary Subscription and Shareholders Agreement”	Supplementary Subscription and Shareholders Agreement dated October 15, 2015 entered into between Rafique A. Malik, Aziza Rafique Malik, Zarah Rafique Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik, Rukshana Javeri, Rakesh R. Jhunjunwala and our Company
“SSHA”	Collectively, the Subscription and Shareholders’ Agreement, Supplementary Subscription and Shareholders Agreement and the Deed of Adherence
“SSHA Amendment Agreement”	The amendment agreement dated July 28, 2021 entered into between Rafique A. Malik, Farah Malik Bhanji, Rafique Malik Family Trust, Aziza Malik Family Trust, Alisha Rafique Malik, Aziza R. Malik, Zarah Rafique Malik, Zia Malik Lalji, Sabina Malik Hadi, Rukshana Javeri, Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust, Sabina Malik Family Trust, Rakesh R. Jhunjunwala, Rekha Rakesh Jhunjunwala, Aryavir Jhunjunwala Discretionary Trust, Aryaman Jhunjunwala Discretionary Trust, Nishtha Jhunjunwala Discretionary Trust and our Company
“Shareholder(s)”	The holders of the Equity Shares from time to time
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations, as described in “ <i>Our Management</i> ” on page 188
“Statutory Auditor”	The statutory auditor of our Company, being Deloitte Haskins & Sells, Chartered Accountants

Offer Related Terms

Term	Description
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
“Acknowledgement Slip”	The slip or document issued by relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
“Allotment”, “Allot” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
“Allotment Advice”	A note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
“Allottee”	A successful Bidder to whom the Equity Shares are Allotted
“Anchor Investor”	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
“Anchor Investor Allocation Price”	The price at which Equity Shares were allocated to Anchor Investors on the Anchor Investor Bidding Date in terms of the Red Herring Prospectus and this Prospectus and decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
“Anchor Investor Application Form”	Form used by an Anchor Investor to Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
“Anchor Investor Bidding Date”	December 9, 2021 being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted, and allocation to Anchor Investors was completed
“Anchor Investor Offer Price”	₹ 500 decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
“Anchor Investor Pay – in Date”	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Offer Price a date being, not later than two Working Days after the Bid/Offer Closing Date
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which was allocated by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one

Term	Description
	third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
“Applications Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in ASBA Account and included applications made by RIBs using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
“ASBA Account”	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds were blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and included a bank account maintained by an RIB linked to a UPI ID, which was blocked in relation to a Bid by a RIB Bidding through the UPI Mechanism
“ASBA Bidders”	All Bidders except Anchor Investors
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which were considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
“Ambit”	Ambit Private Limited
“Axis Capital”	Axis Capital Limited
“Banker(s) to the Offer”	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank, as the case may be
“Basis of Allotment”	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in “ <i>Offer Procedure</i> ” on page 369
“Bid”	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of an Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “Bidding” shall be construed accordingly
“Bidder”	A prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor
“Bid Amount”	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable
“Bidding Centres”	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
“Bid cum Application Form”	Anchor Investor Application Form or the ASBA Form, as the context requires
“Bid Lot”	30 Equity Shares and in multiples of 30 Equity Shares thereafter
“Bid/Offer Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being Tuesday, December 14, 2021.
“Bid/Offer Opening Date”	Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids for the Offer, being Friday, December 10, 2021.
“Bid/Offer Period”	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders could submit their Bids, including any revisions thereto in accordance with the SEBI ICDR Regulations. Provided that the Bidding was kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
“Book Building Process”	The book building process as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is was made

Term	Description
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer, namely Axis Capital Limited, Ambit Private Limited, DAM Capital Advisors Limited (<i>Formerly IDFC Securities Limited</i>), Equirus Capital Private Limited, ICICI Securities Limited and Motilal Oswal Investment Advisors Limited
“Broker Centre”	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms, provided that RIBs may only submit ASBA Forms at such broker centres if they are Bidding using the UPI Mechanism, to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time
“CAN” or “Confirmation of Allocation Note”	The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date
“Cap Price”	The higher end of the Price Band, i.e. ₹ 500 per Equity Share, above which the Offer Price and the Anchor Investor Offer Price were not finalised and above which no Bids were accepted
“Cash Escrow and Sponsor Bank Agreement”	The agreement dated December 1, 2021 entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Member, the Banker(s) to the Offer, <i>inter alia</i> , the appointment of the Sponsor Bank in accordance with the UPI Circular, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
“Circular on Streamlining of Public Issues”/ “UPI Circular”	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
“Client ID”	Client identification number maintained with one of the Depositories in relation to the Bidder’s beneficiary account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time
“Cut-off Price”	The Offer Price, as finalised by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs which was the price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
“DAM Capital”	DAM Capital Advisors Limited (<i>Formerly IDFC Securities Limited</i>)
“Demographic Details”	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation, PAN, DP ID, Client ID and bank account details and UPI ID, where applicable
“Designated Branches”	Such branches of the SCSBs which collected ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
“Designated Locations”	Such locations of the CDPs where Bidders submitted the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms were available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
“Designated Date”	The date on which funds are transferred from the Escrow Account to the Public Offer Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are

Term	Description
	transferred from the ASBA Accounts to the Public Offer Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors or IPO Committee may Allot Equity Shares to successful Bidders in the Offer
“Designated Intermediaries”	In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries meant Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
“Designated RTA Locations”	Such locations of the RTAs where Bidders submitted the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
“Designated Stock Exchange”	BSE Limited
“Draft Red Herring Prospectus” or “DRHP”	The draft red herring prospectus dated August 20, 2021, issued in accordance with the SEBI ICDR Regulations, did not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto
“Eligible FPIs”	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby
“Eligible NRIs”	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, on a non—repatriation basis, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
“Escrow Account(s)”	Accounts opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
“Escrow Collection Bank(s)”	The banks which are clearing members and registered with SEBI as Bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) were opened, in this case being ICICI Bank Limited
“Equirus”	Equirus Capital Private Limited
“First Bidder”	The Bidder whose name was mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appeared as the first holder of the beneficiary account held in joint names
“Floor Price”	The lower end of the Price Band, i.e. ₹ 485 per Equity Share
“Fresh Issue”	The fresh issue component of the Offer comprising of an issuance of 5,900,000* Equity Shares at ₹ 500 per Equity Share (including a premium of ₹ 495 per Equity Share) aggregating to ₹ 2,950 million by our Company <i>*Subject to the finalization of Basis of Allotment</i>
“General Information Document” or “GID”	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was available on the websites of the Stock Exchanges and the BRLMs
“Gross Proceeds”	The Offer proceeds from the Fresh Issue
“ISec”	ICICI Securities Limited

Term	Description
“June 2021 Circular”	SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
“March 2021 Circular”	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021
“Monitoring Agency”	ICICI Bank Limited
“Monitoring Agency Agreement”	The agreement dated December 1, 2021 entered into between our Company and the Monitoring Agency
“Motilal”	Motilal Oswal Investment Advisors Limited
“Mutual Fund”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
“Mutual Fund Portion”	Up to 5% of the Net QIB Portion, or 273,501 Equity Shares, which were available for allocation to Mutual Funds only, on a proportionate basis
“Net Proceeds”	The Gross Proceeds less our Company’s share of the Offer-related expenses applicable to the Fresh Issue. For further details about use of the Net Proceeds and the Offer related expenses, see “ <i>Objects of the Offer</i> ” on page 103
“Net QIB Portion”	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors
“Non-Institutional Investors” or “NII(s)” or “Non-Institutional Bidders” or “NIB(s)”	All Bidders, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
“Non-Institutional Portion”	The portion of the Offer being not less than 15% of the Offer, consisting of 4,102,515 Equity Shares, which were available for allocation to Non-Institutional Investors on a proportionate basis
“Non-Resident” or “NR”	A person resident outside India, as defined under FEMA
“Offer”	Initial public offering of 27,350,100* Equity Shares for cash at a price of ₹ 500 per Equity Share (including a share premium of ₹ 495 per Equity Share) aggregating to ₹ 13,675.05 million consisting of a Fresh Issue of 5,900,000 Equity Shares aggregating to ₹ 2,950 million by our Company and an offer for sale of 21,450,100 Equity Shares aggregating to ₹ 10,725.05 million, by the Selling Shareholders <i>*Subject to the finalization of Basis of Allotment</i>
“Offer Agreement”	The agreement dated August 20, 2021 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
“Offer for Sale”	The offer for sale of 21,450,100 Equity Shares aggregating to ₹ 10,725.05 million, comprising an offer for sale of 13,015,000 Equity Shares aggregating to ₹ 6,507.50 million by the Promoter Selling Shareholders, 8,427,000 Equity Shares aggregating to ₹ 4,213.50 million by the Promoter Group Selling Shareholders and 8,100 Equity Shares aggregating to ₹ 4.05 million by the Other Selling Shareholder
“Offer Price”	₹ 500 per Equity Share, being the final price within the Price Band, at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus and this Prospectus
“Offered Shares”	The cumulative number of Equity Shares offered by (i) the Promoter Selling Shareholders as part of the Offer for Sale comprising of an aggregate of 13,015,000* Equity Shares, (ii) the Promoter Group Selling Shareholders as part of the Offer for Sale comprising of an aggregate of 8,427,000 Equity Shares; and (iii) the Other Selling Shareholder as part of the Offer for Sale comprising of an aggregate of 8,100 Equity Shares <i>*Subject to finalization of the Basis of Allotment</i>
“Pre-IPO Placement”	Our Company had, in consultation with the BRLMs, undertaken a private placement of 73,136 Equity Shares for cash consideration aggregating to ₹ 32.91 million. For further details, please see “ <i>Capital Structure</i> ” on page 75.

Term	Description
	Further, our Company had intimated the Shareholders who were allotted Equity Shares pursuant to the Pre-IPO Placement, of there being no guarantee that the Offer or listing of the Equity Shares on the Stock Exchanges, will be successfully consummated.
“Price Band”	Price band of a minimum price of ₹ 485 per Equity Share (Floor Price) and the maximum price of ₹ 500 per Equity Share (Cap Price) and includes any revisions thereof The Price Band and the minimum Bid Lot for the Offer were decided by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs
“Pricing Date”	The date on which our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, will finalise the Offer Price
“Prospectus”	This prospectus dated December 15, 2021 to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
“Public Offer Account Bank(s)”	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being ICICI Bank Limited
“Public Offer Account(s)”	Bank account to be opened in accordance with the provisions of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Accounts and from the ASBA Accounts on the Designated Date
“QIB Portion”	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of 13,675,050 Equity Shares which were allocated to QIBs, including the Anchor Investors (which allocation shall be on a discretionary basis, as determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs up to a limit of 60% of the QIB Portion)
“Qualified Institutional Buyers” or “QIBs”	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. In accordance with the FEMA Rules, other non-residents such as, Eligible NRIs applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer. For details, see “ <i>Restrictions on Foreign Ownership of Indian Securities</i> ” on page 387
“Red Herring Prospectus” or “RHP”	The red herring prospectus dated December 2, 2021, including any corrigenda or addenda thereto, issued in accordance with section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares were offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus was filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
“Refund Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
“Refund Bank(s)”	The Banker(s) to the Offer with whom the Refund Account(s) was opened, in this case being ICICI Bank Limited
“Registered Broker”	Stock brokers registered with the stock exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
“Registrar Agreement”	The agreement dated August 19, 2021 entered amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
“Registrar” or “Registrar to the Offer”	Link Intime India Private Limited

Term	Description
“Resident Indian”	A person resident in India, as defined under FEMA
“Retail Individual Bidders” or “RIB(s)” or “Retail Individual Investors” or “RII(s)”	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the Bidding options in the Offer
“Retail Portion”	The portion of the Offer being not less than 35% of the Offer consisting of 9,572,535 Equity Shares available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
“Self Certified Syndicate Bank(s)” or “SCSB(s)”	<p>The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=40, or such other website as may be prescribed by SEBI from time to time</p> <p>Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43, as updated from time to time</p>
“Specified Locations”	The Bidding centres where the Syndicate accepted Bid cum Application Forms from relevant Bidders, a list of which was available on the website of SEBI (www.sebi.gov.in), and updated from time to time
“Share Escrow Agent”	Escrow agent appointed pursuant to the Share Escrow Agreement i.e. Link Intime India Private Limited
“Share Escrow Agreement”	The agreement dated November 29, 2021 entered into amongst our Company, the Selling Shareholders, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholders in escrow and credit of such Equity Shares to the demat account of the Allottees.
“Sponsor Bank”	The Banker to the Offer registered with SEBI appointed by the Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the UPI Mandate Requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being ICICI Bank Limited
“Stock Exchanges”	Collectively, BSE Limited and National Stock Exchange of India Limited
“Syndicate Agreement”	The agreement dated December 1, 2021 entered into among our Company, the Selling Shareholders, the BRLMs, and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
“Syndicate Members”	Intermediaries (other than BRLMs) registered with SEBI who were permitted to accept bids, applications and place orders with respect to the Offer and carry out activities as an underwriter namely Motilal Oswal Financial Services Limited, Sharekhan Limited, Equirus Securities Private Limited and Ambit Capital Private Limited
“Syndicate” or “members of the Syndicate”	Together, the BRLMs and the Syndicate Members

Term	Description
“Systemically Important Non-Banking Financial Company” or “NBFC-SI”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
“Underwriters”	Axis Capital Limited, Ambit Private Limited, DAM Capital Advisors Limited (<i>Formerly IDFC Securities Limited</i>), Equirus Capital Private Limited, ICICI Securities Limited, Motilal Oswal Investment Advisors Limited, Motilal Oswal Financial Services Limited, Sharekhan Limited, Equirus Securities Private Limited and Ambit Capital Private Limited
“Underwriting Agreement”	The agreement dated December 15, 2021 entered into amongst the Underwriters, the Selling Shareholders and our Company on or after the Pricing Date, but prior to filing of this Prospectus
“UPI”	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
“UPI ID”	ID created on UPI for single-window mobile payment system developed by the NPCI
“UPI Mandate Request”	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by the SCSBs on the website of SEBI and by way of an SMS directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds in the relevant ASBA Account through the UPI linked mobile application equivalent to Bid Amount and subsequent debit of funds in case of Allotment In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
“UPI Mechanism”	The Bidding mechanism that may be used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars
“UPI PIN”	Password to authenticate UPI transaction
“Wilful Defaulter”	A wilful defaulter, as defined under the SEBI ICDR Regulations
“Working Day”	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, Working Day shall mean all days except all Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in India, as per the circulars issued by SEBI.

Technical/Industry Related Terms/Abbreviations

Term	Description
“CAGR”	Compounded Annual Growth Rate (as a %): $(\text{End Year Value} / \text{Base Year Value})^{(1/\text{No. of years between Base year and End year})} - 1$ [^ denotes ‘raised to’]
“Capital Employed”	Capital employed is calculated as total assets less current liabilities, plus borrowings under current liabilities, current maturities of long-term debts and lease liabilities under current liabilities
“COCO”	Company-owned company-operated
“EBIT”	Earnings before interest, tax calculated as restated profit after tax for the year, plus total tax expenses and finance cost
“EBITDA”	Earnings before interest, taxes, depreciation and amortization expenses calculated as restated profit after tax for the year, plus total tax expense, exceptional items, finance costs and depreciation and amortization expenses, less other income
“EBITDA Margin”	EBITDA as a percentage of revenue from operations
“EBOs”	Exclusive brand outlets

“Gross Margin”	Calculated as revenue from operations less purchases, changes in inventories of stock-in-trade
“In-Store Product Sales”	Product Sales made to customers for orders placed at the stores
“MBOs”	Multi-brand outlets
“Net Worth”	The aggregate value of the paid-up share capital, securities premium, general reserve, capital reserve, employee stock options outstanding reserve, and retained earnings (including other comprehensive income) attributable to owners of the company as restated.
“Omni-Channel Product Sales”	Product Sales made from the Stores towards purchase orders placed online.
“Online Product Sales”	Product Sales made from the warehouses towards purchase orders placed online.
“PAT Margin”	Restated profit after tax for the year as a percentage of revenue from operations
“Product Sales”	Revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.
“R&D”	Research and development
“Realization per Unit”	Total Product Sales divided by volume of footwear, bags, and accessories, sold by our Company during the relevant period, on a standalone basis.
“Retail Business Area”	Carpet area of the Stores
“Revenue per Sq. Ft.”	Total Store Product Sales divided by Retail Business Area
“ROCE”	EBIT divided by Capital Employed
“ROE”	Restated profit after tax for the year divided by total equity
“RONW”	Return on Net Worth
“SIS”	Shop-in-shops
“Stores”	MBOs (including SIS and franchisees) and EBOs operated by our Company, and excludes SIS operated by our Subsidiary
“Total Online Product Sales”	Aggregate of Online Product Sales and Omni-Channel Product Sales
“Total Product Sales”	Aggregate of Total Store Product Sales and Online Product Sales
“Total Store Product Sales”	Aggregate of In-Store Product Sales and Omni-Channel Product Sales

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
“AIFs”	Alternative investment funds as defined in and registered under the AIF Regulations
“AS”	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time
“BSE”	BSE Limited
“BTI Regulations”	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
“CAGR”	Compounded Annual Growth Rate
“Calendar Year” or “year”	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
“Category I AIF”	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
“Category II AIF”	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
“Category I FPIs”	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category II FPIs”	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
“Category III AIF”	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
“CCI”	Competition Commission of India
“CDSL”	Central Depository Services (India) Limited
“Companies Act, 1956”	<i>Erstwhile</i> Companies Act, 1956 along with the relevant rules made thereunder

Term	Description
“Companies Act” / “Companies Act, 2013”	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended and to the extent currently in force
“COVID – 19”	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
“Cr.P.C.”	Code of Criminal Procedure, 1973
“CSR”	Corporate social responsibility
“Demat”	Dematerialised
“Depositories Act”	Depositories Act, 1996
“Depository” or “Depositories”	NSDL and CDSL
“DIN”	Director Identification Number
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
“DP ID”	Depository Participant’s Identification Number
“EPS”	Earnings per share
“FDI”	Foreign direct investment
“FDI Policy”	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (<i>earlier known as the Department of Industrial Policy and Promotion</i>)
“FEMA”	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
“Financial Year”, “Fiscal”, “FY” or “F.Y.”	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise
“FIR”	First information report
“FPI(s)”	Foreign Portfolio Investor, as defined under the FPI Regulations
“FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
“FIPB”	The erstwhile Foreign Investment Promotion Board
“Fugitive Economic Offender”	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018
“FVCI”	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
“FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
“GDP”	Gross domestic product
“GoI” or “Government” or “Central Government”	Government of India
“GST”	Goods and services tax
“HUF”	Hindu undivided family
“IAS Rules”	Companies (Indian Accounting Standards) Rules, 2015, as amended
“ICAI”	The Institute of Chartered Accountants of India
“ICSI”	The Institute of Company Secretaries of India
“ICWAI”	The Institute of Cost & Works Accountants of India
“ICDS”	Income Computation and Disclosure Standards
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board
“India”	Republic of India
“Ind AS” or “Indian Accounting Standards”	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with IAS Rules
“Ind AS 24”	Indian Accounting Standard 24, “Related Party Disclosures”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules

Term	Description
“Ind AS 37”	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules
“IGAAP” or “Indian GAAP”	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
“Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
“IPC”	The Indian Penal Code, 1860
“IPR”	Intellectual property rights
“IPO”	Initial public offer
“IST”	Indian standard time
“IT Act”	The Income Tax Act, 1961
“IT”	Information technology
“Listing Agreement”	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
“Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
“MCA”	Ministry of Corporate Affairs, Government of India
“Mn” or “mn”	Million
“N.A.”	Not applicable
“NACH”	National Automated Clearing House
“NAV”	Net asset value
“NBFC”	Non-Banking Financial Company
“NEFT”	National electronic fund transfer
“NPCI”	National Payments Corporation of India
“NRE Account”	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
“NRI” or “Non-Resident Indian”	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
“NRO Account”	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
“NSDL”	National Securities Depository Limited
“NSE”	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs were not allowed to invest in the Offer
“P/E Ratio”	Price/earnings ratio
“PAN”	Permanent account number allotted under the Income Tax Act, 1961
“RBI”	Reserve Bank of India
“Regulation S”	Regulation S under the U.S. Securities Act
“RTGS”	Real time gross settlement
“Rule 144A”	Rule 144 A under the U.S. Securities Act
“SCRA”	Securities Contracts (Regulation) Act, 1956
“SCRR”	Securities Contracts (Regulation) Rules, 1957
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act
“SEBI Act”	Securities and Exchange Board of India Act, 1992
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1999

Term	Description
“SEBI SBEB Regulations 2014”	The <i>erstwhile</i> Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
“SEBI SBEB Regulations 2021”	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
“SEBI VCF Regulations”	The <i>erstwhile</i> Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
“SICA”	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
“STT”	Securities Transaction Tax
“State Government”	Government of a State of India
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
“U.S.A”/ “U.S.”/ “United States”	The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
“USD” or “US\$”	United States Dollars
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States of America
“U.S. Securities Act”	United States Securities Act of 1933, as amended
“VAT”	Value added tax
“VCFs”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA

Certain Conventions

All references to “India” in this Prospectus are to the Republic of India and its territories and possession and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references herein to the “US”, the “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Prospectus have been derived from our Restated Consolidated Financial Information.

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

For further information on our Company’s financial information, see “*Financial Statements*” on page 211.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*” on page 51.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 153 and 282, respectively, and elsewhere in this Prospectus have been derived from the Restated Consolidated Financial Information.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP Measures

Certain non-GAAP measures such as EBIT, EBITDA, EBITDA Margin, Gross Margin, Capital Employed, Return on Capital Employed, Return on Equity, PAT Margin, total borrowings and debt to equity ratio, total product sales to revenue from operations (standalone), Net Worth and Return on Net Worth and net asset value per equity share (“Non-GAAP Measures”) presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company’s operating performance. See “Risk Factors – We have in this Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian footwear retailing industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.” on page 49.

Currency and Units of Presentation

All references to:

1. “Rupees” or “INR” or “Rs.” or “₹” are to the Indian Rupee, the official currency of India; and
2. “USD” or “US\$” or “\$” or “U.S. Dollar” are to the United States Dollar, the official currency of the United States of America.

Except otherwise specified, our Company has presented certain numerical information in this Prospectus in “million”, “billion” and “trillion” units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

Exchange Rates

This Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	As at September 30, 2021 (₹)	As at September 30, 2020 (₹)	As on March 31, 2021 (₹)	As on March 31, 2020 (₹)	As on March 31, 2019 ⁽¹⁾ (₹)
1 USD	74.16	73.58	73.50	75.39	69.17

(Source: USD - www.fbil.org.in)

⁽¹⁾ In case of a public holiday, the previous working day i.e. March 29, 2021 not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from the report titled “*Assessment of organised retail and footwear industries in India*” dated August 2021 along with the addendum dated November 2021 prepared by CRISIL, who was appointed by our Company on May 5, 2021, (the “**CRISIL Report**”) and publicly available information as well as other industry publications and sources. The CRISIL Report has been commissioned by our Company exclusively for the purposes of the Offer for an agreed fee and is available at <https://metrobrands.com/corporate-governance/>. For further details in relation to risks involving the CRISIL Report, see “*Risk Factors – Industry information included in this Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us.*” on page 37.

No investment decisions should be made based on information included in the industry publications, although we believe the industry and market data used in this Prospectus is reliable. The excerpts of the industry report are disclosed in the Offer Documents and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 29. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the SEBI ICDR Regulations, the section titled “*Basis for Offer Price*” on page 113, includes information relating to our peer group companies.

Disclaimer of CRISIL

This Prospectus contains certain data and statistics from the CRISIL Report, which is subject to the following disclaimer:

CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Metro Brands Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of and does not have access to information obtained by CRISIL Ratings Limited / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL Ratings Limited / CRIS. No part of this Report may be published/reproduced in any form without CRISIL’s prior written approval.

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any other applicable law of the United

States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act and (b) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

FORWARD LOOKING STATEMENTS

This Prospectus contains certain statements which are not statements of historical facts and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “shall”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “project”, “propose”, “seek to”, “will”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. The Offer Price, market capitalization to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter;
2. The cumulative cost of the total number of stores opened by our Company across regions may not be indicative of the market capitalization of our Company after the Offer;
3. The current and continuing impact of the ongoing COVID-19 pandemic on our business and operations has been significant;
4. Inability to identify customer demand accurately and maintain an optimal level of inventory in our stores;
5. Inability to promptly identify and respond to changing customer preferences or evolving trends;
6. We may not be successful in maintaining and enhancing awareness of our brands;
7. Inability to effectively manage or expand our retail network and operations or pursue our growth strategy;
8. We will not receive any proceeds from the Offer for Sale;
9. The premises of all our stores and warehouses are leased;
10. We are dependent on third-parties for the manufacturing of all the products we sell.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 29, 153 and 282, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, our Directors, our Promoters, the Selling Shareholders, the BRLMs, the Syndicate Member nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements under the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders shall ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by the respective Selling Shareholders in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically confirmed or undertaken by the Selling Shareholders, as the case may be, in the Red Herring Prospectus and this Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholders.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of the terms of the Offer, certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Industry Overview”, “Our Business”, “Objects of the Offer”, “Our Promoters and Promoter Group”, “Financial Statements”, “Outstanding Litigation and Material Developments”, “Offer Structure”, “Management’s Discussions and Analysis of Financial Position and Results of Operations” on pages 29, 60, 75, 121, 153, 103, 203, 211, 325, 366 and 282 respectively.

Primary business of our Company

We are an Indian footwear retailer targeting the economy, mid and premium segments in the footwear market. We opened our first store under the Metro brand in Mumbai in 1955 and have since evolved into a one-stop shop for all footwear needs, by retailing a wide range of branded products for the entire family including men, women, unisex and kids, and for every occasion including casual and formal events. As of September 30, 2021, our Company operated 598 Stores across 136 cities spread across 30 states and union territories in India.

Summary of the industry in which our Company operates

The Indian footwear industry has witnessed increased activity over the last few years, with changing consumer attitude towards footwear. The footwear segment comprises approximately 1.5% share of total retail industry and is estimated at ₹ 1 trillion as of Fiscal 2020. The segment is expected to grow in the coming years to reach an estimated ₹ 1.4 trillion by Fiscal 2025, growing at a CAGR of approximately 21% between Fiscals 2021 and 2025 (Source: CRISIL Report).

Name of the Promoters

Our Promoters are Rafique A. Malik, Farah Malik Bhanji, Alisha Rafique Malik, Rafique Malik Family Trust and Aziza Malik Family Trust. For further details, see “Our Promoters and Promoter Group” on page 203.

Offer Size

Offer of Equity Shares ^{(1)^}	27,350,100* Equity Shares aggregating to ₹ 13,675.05 million *Subject to the finalisation of Basis of Allotment
of which	
Fresh Issue ⁽¹⁾	5,900,000 Equity Shares, aggregating to ₹ 2,950 million
Offer for Sale ⁽²⁾	21,450,100* Equity Shares, aggregating to ₹ 10,725.05 million by the Selling Shareholders, comprising an offer for sale of 13,015,000 Equity Shares aggregating to ₹ 6,507.50 million by the Promoter Selling Shareholders, 8,427,000 Equity Shares aggregating to ₹ 4,213.50 million by the Promoter Group Selling Shareholders and 8,100 Equity Shares aggregating to ₹ 4.05 million by the Other Selling Shareholder *Subject to finalization of the Basis of Allotment

(1) The Offer has been authorized by a resolution of our Board dated March 25, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated March 30, 2021.

(2) The Equity Shares offered by the Selling Shareholders are eligible as part of the Offer in terms of the SEBI ICDR Regulations. For further details of authorisations pertaining to the Offer for Sale, see “Other Regulatory and Statutory Disclosures” on page 341.

The Offer shall constitute 10.07% of the post Offer paid up Equity Share capital of our Company.

The above table summarises the details of the Offer. For further details of the offer, see “The Offer” and “Offer Structure” on pages 60 and 366, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(In ₹ million)

Particulars	Amount which will be financed from the Net Proceeds
Expenditure for opening new stores of the Company, under the “Metro”, “Mochi”, “Walkway” and “Cros” brands	2,253.74
General corporate purposes*	595.60
Total*	2,849.34

* The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

For further details, see “Objects of the Offer” on page 103.

Aggregate pre-Offer and post – Offer shareholding of our Promoters, our Promoter Group and Selling Shareholders

The aggregate pre-Offer and post – Offer shareholding of our Promoters, Promoter Group and Selling Shareholders as a percentage of the pre-Offer and post-Offer paid-up Equity Share capital of our Company, respectively, is set out below:

S No.	Name of shareholder	Pre-Offer equity share capital		Percentage of total post - Offer paid up Equity Share capital (%)
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital (%)	
Promoters				
1.	Rafique A. Malik [#]	2,700,000	1.02	0.99
2.	Farah Malik Bhanji ^{*##}	7,933,000	2.98	1.89
3.	Alisha Rafique Malik ^{*###}	11,897,000	4.48	3.35
4.	Farah Malik Bhanji (as a trustee for the benefit of Rafique Malik Family Trust)*	79,027,920	29.75	27.76
5.	Farah Malik Bhanji (as a trustee for the benefit of Aziza Malik Family Trust)*	80,184,600	30.19	28.16
	Total (A)	181,742,520	68.43	62.15
Promoter Group				
6.	Aziza Rafique Malik [^]	1,350,000	0.51	0.50
7.	Mumtaz Jaffer	25,300	0.01	0.01
8.	Rukshana Kurbanali Javeri ^{^^}	243,000	0.09	0.09
9.	Zarah Rafique Malik ^{**@}	7,938,000	2.99	1.89
10.	Zia Malik Lalji ^{**@@}	7,938,000	2.99	1.89
11.	Sabina Malik Hadi ^{**@@@}	7,938,000	2.99	1.89
12.	Suleiman Bhanji	29,300	0.01	0.01
13.	Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust)	3,969,000	1.49	1.46
14.	Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust)	3,969,000	1.49	1.46
15.	Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust)	3,969,000	1.49	1.46
16.	Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust)	3,969,000	1.49	1.46
	Total (B)	41,337,600	15.56	12.12
Selling Shareholders				
17.	Rakesh Hridaynarayan Pathak	8,100	Negligible	Nil
	Total (C)	8,100	Negligible	Nil

S No.	Name of shareholder	Pre-Offer equity share capital		Percentage of total post - Offer paid up Equity Share capital (%)
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital (%)	
	Total (A+B+C)	223,088,220	83.99	74.27

[#]First holder and jointly held with Aziza Rafique Malik and Farah Malik Bhanji

^{##}First holder and jointly held with Rafique A. Malik

^{###}First holder and jointly held with Rafique A. Malik

[^]First holder and jointly held with Rafique A. Malik

^{^^}First holder and jointly held with Rafique A. Malik

[@]First holder and jointly held with Rafique A. Malik

^{@@}First holder and jointly held with Rafique A. Malik

^{@@@}First holder and jointly held with Rafique A. Malik

*Also the Promoter Selling Shareholders.

**Also the Promoter Group Selling Shareholder.

Summary derived from the Restated Consolidated Financial Information

(In ₹ million except per share data)

Particulars	September 30, 2021	September 30, 2020	Fiscal 2021	Fiscal 2020	Fiscal 2019
Share capital	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
Net Worth	8,400.38	7,301.37	8,275.70	8,072.89	6,498.66
Revenue from Operations	4,560.02	1,765.44	8,000.57	12,851.62	12,170.65
Restated Profit / (Loss) after tax	430.74	(431.15)	646.19	1,605.75	1,527.31
Earnings per share					
- Basic	1.62	(1.62)	2.43	6.05	5.75
- Diluted	1.62	(1.62)	2.43	6.05	5.75
Net asset value per equity share	31.64	27.50	31.17	30.40	24.47
Total Borrowing	9.27	75.76	14.06	115.79	98.96

Notes:

(1) Net-worth: Net-worth, as restated, means the aggregate value of the paid-up share capital, securities premium, general reserve, capital reserve, employee stock options outstanding reserve, and retained earnings (including Other Comprehensive Income) attributable to owners of the company as restated.

(2) The details of 'Earnings per Share' disclosed above are based on the Restated Consolidated Financial Information of our Company, as adjusted for sub-division of the face value of equity shares of our Company from ₹ 10 per equity share to ₹5 per equity share on March 30, 2021.

(3) Net Asset Value per equity share represents Net-worth as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as on September 30, 2021.

(4) Total Borrowing includes non-current borrowings (including current maturities) and current borrowings.

(5) For details in relation to the reconciliation, see 'Other Financial Information – Reconciliation of Non – GAAP Measures - restated net worth and restated net asset value per equity share' on page 279.

For further details see "Financial Information" on page 211.

Qualifications of the Statutory Auditors

There are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings as on the date of this Prospectus as disclosed in the section titled "Outstanding Litigation and Material Developments" in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
Company						
By the Company	13	-	-	-	2	52.71
Against the Company	6	12	59	-	1	140.62

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
Directors***						
By the Directors	Nil	-	-	-	Nil	Nil
Against the Directors	2**	1	Nil	-	1@	0.22
Promoters (excluding cases involving our Directors)						
By the Promoters	Nil	-	-	-	Nil	Nil
Against the Promoters	Nil	-	Nil	Nil	Nil	Nil
Subsidiaries						
By the Subsidiaries	Nil	-	-	-	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

*To the extent quantifiable.

** Includes a criminal proceeding against one of our Promoters, Rafique A. Malik.

*** Other than proceedings involving our Company to which our Directors are party.

@Involves a material civil litigation against one of our Promoters, Rafique A. Malik.

There are no pending litigations involving our Group Companies which may have a material impact on our Company.

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 325.

Risk Factors

Investors should see “*Risk Factors*” on page 29 to have an informed view before making an investment decision.

Summary of Contingent Liabilities of our Company

Details of the contingent liabilities (as per Ind AS 37) of our Company as on September 30, 2021 derived from the Restated Consolidated Financial Information are set forth below:

Particulars	Amount
	(₹ million)
Contingent Liabilities and Commitments	
(i) Contingent Liabilities	
(a) Claims against the Group not acknowledged as debts	
Central excise	0.89
Service tax	1.06
Sales tax	72.49
Income tax	0.30
GST	0.79
(b) Others (money for which the group is contingently liable)	2.05
(ii) Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	56.96
Total	134.54

For further details of the contingent liabilities (as per Ind AS 37) of our Company as on September 30, 2021, see “*Financial Statements - Contingent liabilities*” on page 250.

Summary of Related Party Transactions

Summary of the related party transactions as per Ind AS 24-Related Party Disclosures derived from the Restated Consolidated Financial Information, is as follows:

(₹ million)

Nature of transaction	Name of the Party	September 30, 2021	September 30, 2020	Fiscal 2019	Fiscal 2020	Fiscal 2021
Compensation in respect of concession agreements for showrooms - Rent	Rafique A. Malik	2.83	1.22	9.66	8.25	5.35
Compensation in respect of concession agreements for showrooms - Rent	Aziza Malik	6.29	2.45	24.71	20.65	11.56
Commission in respect of retail agency agreements for showroom	Metro Shoes	5.01	1.28	23.95	19.99	7.76
Compensation received in respect of rent for office	Metro Shoes	0.20	0.20	0	0.46	0.40
Remuneration	Rafique A. Malik	36.83	26.06	54.31	60.55	67.34
Remuneration	Farah Malik Bhanji	15.59	10.81	22.87	25.63	28.06
Remuneration	Aziza Malik	11.22	7.68	16.43	18.44	19.99
Remuneration	Nissan Joseph	6.35	0	0	0	0
Remuneration	J.J. Desai	0	6.79	13.82	25.96	7.15
Remuneration	Subhash Malik	0	1.51	2.54	2.71	1.51
Remuneration	Kaushal Parekh	5.28	0	0	0	5.76
Remuneration	Mohammed Iqbal Hasanally Dossani	1.65	0	0	0	1.17
Remuneration	Tarannum Bhanpurwala	0.46	0	0	0	0.24
Remuneration	Alisha R. Malik	2.54	1.78	3.94	4.48	4.70
ESOP Exercised	Subhash Malik	0	0	0.23	0	0
Directors' Sitting Fees	Ms. Aruna Advani	0.21	0.07	0.36	0.26	0.26
Directors' Sitting Fees	Mr. Manoj Kumar Maheshwari	0.23	0.07	0.31	0.21	0.26
Directors' Sitting Fees	Mr. Arvind Kumar Singhal	0.16	0.05	0.24	0.15	0.18
Directors' Sitting Fees	Mr. Karan Singh	0	0.03	0.12	0.12	0.09
Directors' Sitting Fees	Mr. Srikanth Velamakanni	0.12	0	0	0	0.03
Directors' Sitting Fees	Mr. Vikas Khemani	0.09	0	0	0	0.03
Retainership Fees	Mumtaz Jaffer	1.80	1.40	4.13	3.54	2.48
Interim Dividend	Rafique A. Malik	0	0	3.24	0	1.01
Interim Dividend	Farah Malik Bhanji	0	0	9.53	0	2.98
Interim Dividend	Aziza Malik	0	0	1.62	0	0.51
Interim Dividend	J.J. Desai	0	0	0.27	0	0.09
Interim Dividend	Subhash Malik	0	0	0.08	0	0.02
Interim Dividend	Alisha R. Malik	0	0	14.29	0	4.47
Interim Dividend	Sabina Malik Hadi	0	0	9.53	0	2.98
Interim Dividend	Zarah Rafique Malik	0	0	9.53	0	2.98
Interim Dividend	Zia Malik Lalji	0	0	9.53	0	2.98
Interim Dividend	Rukshana Kurbanali Javeri	0	0	0.29	0	0.09
Interim Dividend	Mumtaz Jaffer	0	0	0.03	0	0.01

Nature of transaction	Name of the Party	September 30, 2021	September 30, 2020	Fiscal 2019	Fiscal 2020	Fiscal 2021
Interim Dividend	Kaushal Parekh	0	0	0	0	0.03
Interim Dividend	Aziza Malik Family Trust	0	0	96.22	0	30.07
Interim Dividend	Rafique Malik Family Trust	0	0	94.83	0	29.64
Interim Dividend	Zia Malik Family Trust	0	0	4.76	0	1.49
Interim Dividend	Zarah Malik Family Trust	0	0	4.76	0	1.49
Interim Dividend	Sabina Malik Family Trust	0	0	4.76	0	1.49
Interim Dividend	Farah Malik Family Trust	0	0	4.76	0	1.49
Interim Dividend	Suleiman Sadruddin Bhanji	0	0	0.03	0	0.01
Final Dividend	Rafique A. Malik	3.04	3.75	0.53	0	3.75
Final Dividend	Farah Malik Bhanji	8.93	11.01	1.54	0	11.01
Final Dividend	Aziza Malik	1.52	1.87	0.26	0	1.87
Final Dividend	J.J. Desai	0	0.32	0.04	0	0.32
Final Dividend	Subhash Malik	0	0.01	0.01	0	0.01
Final Dividend	Kaushal Parekh	0.09	0	0	0	0.11
Final Dividend	Alisha R. Malik	13.40	16.52	2.32	0	16.52
Final Dividend	Sabina Malik Hadi	8.93	9.06	1.54	0	9.06
Final Dividend	Zarah Rafique Malik	8.93	9.06	1.54	0	9.06
Final Dividend	Zia Malik Lalji	8.93	9.06	1.54	0	9.06
Final Dividend	Rukshana Kurbanali Javeri	0.27	0.29	0.05	0	0.29
Final Dividend	Mumtaz Jaffer	0.03	0.03	0.01	0	0.03
Final Dividend	Aziza Malik Family Trust	90.21	111.26	15.59	0	111.26
Final Dividend	Rafique Malik Family Trust	88.91	109.65	15.37	0	109.65
Final Dividend	Zia Malik Family Trust	4.47	5.51	0.77	0	5.51
Final Dividend	Zarah Malik Family Trust	4.47	5.51	0.77	0	5.51
Final Dividend	Sabina Malik Family Trust	4.47	5.51	0.77	0	5.51
Final Dividend	Farah Malik Family Trust	4.47	5.51	0.77	0	5.51
Final Dividend	Suleiman Sadruddin Bhanji	0.03	0.03	0.01	0	0.03
Rent	Allium Property LLP	0	0	10.21	0	0
Purchase of property	Allium Property LLP	0	0	210.44	0	0
Professional Fees (capital cost)	Design Matrix Interiors LLP	8.85	3.61	33.16	30.22	12.43
Professional Fees	Design Matrix Associated Private Limited	0	2.50	0	0	2.50
Loan Given	M.V. Shoe Care Private Limited	0	0	10	0	0
Loan Repaid	M.V. Shoe Care Private Limited	0	0	10	0	0
Interest On Loan Given	M.V. Shoe Care Private Limited	0	0	0.53	0	0
Purchases of Stock-in-Trade	M.V. Shoe Care Private Limited	28.75	5.40	115.43	145.36	62.22
Total		385.56	376.87	878.88	366.98	629.37

For further details of the related party transactions, as per the requirements under Ind AS 24 'Related Party Disclosures', see "*Related Party Transactions*" on page 281.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase of any securities of our Company by any other person during a period of six months immediately preceding the date of this Prospectus.

Details of pre-IPO Placement

Our Company, in consultation with the BRLMs, undertook a private placement of 73,136 Equity Shares for cash consideration aggregating to ₹ 32.91 million. Accordingly, the Fresh Issue size, as was stated in the Draft Red Herring Prospectus, was reduced from ₹ 2,500 million to ₹ 2,467.09 million. Thereafter, our Company increased the Fresh Issue Size to ₹ 2,950 million, in accordance with, and subject to, the provisions of the SEBI ICDR Regulations. Further, our Company has intimated the Shareholders who were allotted Equity Shares pursuant to the Pre-IPO Placement, of there being no guarantee that the Offer or listing of the Equity Shares on the Stock Exchanges, will be successfully consummated.

Weighted average price at which the Equity Shares were acquired by our Promoter and the Selling Shareholders in the one year preceding the date of this Prospectus

The weighted average price at which our Promoters and Selling Shareholders acquired the Equity Shares in the one year preceding the date of this Prospectus is as follows:

Name of the Promoters / Selling Shareholders	Number of Equity Shares acquired in last one year*	Weighted Average Price of Equity Shares acquired in last one year**
Promoters		
Rafique A. Malik	1,350,000	Nil
Farah Malik Bhanji	3,964,000	Nil
Alisha Rafique Malik	5,943,500	Nil
Rafique Malik Family Trust (with Farah Malik Bhanji as Trustee)	39,513,960	Nil
Aziza Malik Family Trust (With Farah Malik Bhanji as Trustee)	40,092,300	Nil
Selling Shareholders		
Zarah Rafique Malik	3,969,000	Nil
Zia Malik Lalji	3,969,000	Nil
Sabina Malik Hadi	3,969,000	Nil
Rakesh Hridaynarayan Pathak	4,050	Nil

*On account of split of the Equity Share of face value of ₹ 10 each into 2 Equity Shares of face value of ₹5 each.

**As certified by M.P. Chitale & Co., Chartered Accountants, by way of their certificate dated December 15, 2021.

Average cost of acquisition for our Promoters and Selling Shareholders

The average cost of acquisition per Equity Share by our Promoters and the Selling Shareholders, as at the date of this Prospectus, is:

Name of the Promoters / Selling Shareholders	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹)***
Promoters		
Rafique A. Malik	2,700,000	1.27
Farah Malik Bhanji*	7,933,000	-
Alisha Rafique Malik*	11,897,000	-
Rafique Malik Family Trust*	79,027,920	14.09
Aziza Malik Family Trust*	80,184,600	14.16
Selling Shareholders		
Zarah Rafique Malik**	7,938,000	-
Zia Malik Lalji**	7,938,000	-
Sabina Malik Hadi**	7,938,000	-
Rakesh Hridaynarayan Pathak	8,100	7.41

*Also the Selling Shareholders.

**Also members of the Promoter Group.

*** As certified by M.P. Chitale & Co., Chartered Accountants, by way of their certificate dated December 15, 2021.

For further details of the average cost of acquisition for our Promoters, see “*Capital Structure – Details of shareholding of our Promoters, members of the Promoter Group in our Company*” at page 90.

Issue of Equity Shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.

Split / Consolidation of Equity Shares in the last one year

Except as disclosed below, our Company has not undertaken split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus:

Date of split	Particulars
March 30, 2021	Each equity share of face value of ₹ 10 each was split into 2 Equity Shares of face value of ₹5 each

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 153, 121, 282 and 211, respectively, as well as the other financial and statistical information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For further information, see “Forward-Looking Statements” on page 19.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Information included in this Prospectus. The information as of and for the six months ended September 30, 2020 and September 30, 2021 is not annualized. For further information, see “Financial Information” on page 211. Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Metro Brands Limited on a consolidated basis and references to “the Company” or “our Company” refers to Metro Brands Limited on a standalone basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Assessment of organised retail and footwear industries in India” dated August 2021 with Addendum dated November 2021 (the “CRISIL Report”), prepared and issued by CRISIL Limited appointed on May 5, 2021, exclusively commissioned and paid for by our Company in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. A copy of the CRISIL Report is available on website of our Company at <https://metrobrands.com/corporate-governance/>. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “– Industry information included in this Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data” on page 15.

INTERNAL RISK FACTORS

- 1. The Offer Price, market capitalization to revenue multiple and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Company on listing or thereafter.***

Our revenue from operations and restated profit / (loss) after tax for the period / year for Fiscal 2021 was ₹ 8,000.57 million and ₹ 646.19 million and for the six months ended September 30, 2021 was ₹ 4,560.02 million and ₹ 430.74 million, respectively and our market capitalization to revenue from operations (Fiscal 2021) multiple is 16.60 times and our price to earnings ratio (based on Fiscal 2021 restated profit / (loss) after tax for the period / year) is 205.76 at the upper end of the price band. The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through a book-building process, and certain

quantitative and qualitative factors as set out in the section titled “*Basis for Offer Price*” on page 113 and the Offer Price, multiples and ratios may not be indicative of the market price of the Company on listing or thereafter.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares.

Any valuation exercise undertaken for the purposes of the Offer by our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers, is not based on a benchmark with our industry peers. The relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products or superior products, COVID-19 related or similar situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

2. *The cumulative cost of the total number of stores opened by our Company across regions may not be indicative of the market capitalization of our Company after the Offer as the basis are independent of each other.*

We are one of the largest Indian footwear speciality retailers (*Source: CRISIL Report*). We primarily follow the “company owned and company operated” model of retailing through our own Multi Brand Outlets (“**MBOs**”) and Exclusive Brand Outlets (“**EBOs**”), to better manage customer experience at our stores. Over the years, we have expanded our store network and our total store count has grown from 504 Stores in 116 cities as of March 31, 2019 to 586 Stores in 134 cities as of March 31, 2021 and to 598 Stores across 136 cities as of September 30, 2021.

The cumulative cost incurred by our Company towards operation of stores across regions should not be construed as indicative of the market capitalization of our Company after the Offer given that the basis of determining both are independent of each other.

3. *The current and continuing impact of the ongoing COVID-19 pandemic on our business and operations has been significant. The impact of the pandemic on our operations in the future, including its effect on the ability or desire of customers to visit our stores, is uncertain and may be significant and continue to have an adverse effect on our business prospects, strategies, business, operations, our future financial performance, and the price of our Equity Shares.*

The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of COVID-19, have had a substantial impact on our operations since last week of March 2020. The impact of the pandemic on our business, operations and financial performance have included and may continue to include the following:

- Temporary as well as permanent store closures, including due to decline in footfalls and sales, closure of malls where our stores are located, and reduced operating hours as mandated by regional regulatory bodies. For instance, revenue from operations declined by 37.75% from ₹ 12,851.62 million in Fiscal 2020 to ₹ 8,000.57 million in Fiscal 2021, and we permanently closed 24 Stores in Fiscal 2021 due to significant decline in footfalls on account of COVID-19. Revenue from operations increased from ₹ 1,765.44 million in the six months ended September 30, 2020 to ₹ 4,560.02 million in the six months ended September 30, 2021, and we permanently closed another 14 stores in the six months ended September 30, 2021 due to the residual impact of COVID-19. A continued decline or fluctuation in footfalls, particularly as a result of the second and any subsequent waves in India, may also affect our ability to effectively manage our inventory of products. Our trade receivables decreased from ₹ 701.28 million, as of March 31, 2020 to ₹ 505.51 million, as of March 31, 2021 owing to fewer sales in Fiscal 2021 compared with Fiscal 2020, and was ₹ 695.72 million in the six months ended September 30, 2021. Further, stores located in containment zones, as demarcated by the Government of India from time to time, may have further restrictions imposed on their operations.

- Temporary closure of our office and decline in availability of workforce due to employees contracting the virus, rationalization of workforce, and restrictions on travel and movement due to lockdowns imposed by various state governments, affecting commute of employees to their places of work.
- Adverse impacts to our sales, profitability and growth rates – particularly as operating expenses do not decrease at the same pace as revenue declines. Our restated profit after tax for the year declined from ₹ 1,605.75 million in Fiscal 2020 to ₹ 646.19 million in Fiscal 2021, and from ₹ (431.15) million in the six months ended September 30, 2020 to ₹ 430.74 million in the six months ended September 30, 2021. Many of our expenses are less variable in nature and may not correlate to changes in revenues, such as lease expenses, depreciation, employee benefit expenses and other costs associated with operating and maintaining our stores. Rental expenses and leave and license fees account for a significant portion of our cash outflows, as a result, we entered into renegotiations under various rental arrangements with mall developers, landlords and lessors since the onset of the COVID-19 pandemic in India. While we have re-negotiated certain of our rental arrangements including by receiving certain waivers for limited periods of time, there can be no assurance that they would agree to any complete or partial waiver or reduction of rent expenses for the remaining term of the relevant lease. The amount of rent concession received by us was ₹ 518.84 million in Fiscal 2021 and was ₹ 200.65 million in the six months ended September 30, 2021. There can also be no assurance that we will be able to obtain such waivers or successfully further renegotiate these arrangements in the future. Also see “– *The premises of all our stores and warehouses are leased. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected.*” on page 34.
- Disruptions of the services we receive from third-parties including vendors, due to limited and sporadic availability of raw materials, fluctuating and unpredictable demands, and disruptions in supply chain.
- Compliance with evolving government regulations, including with respect to social distancing measures and sanitization practices. Although we are currently in compliance with such guidelines, any failure in the future to fully comply or adhere to the measures and guidelines or any other similar regulations could lead to the imposition of penalties, fines or other sanctions, which could have an adverse impact on our business.

In addition, one of our key strategies is the expansion of our store network, which has become increasingly challenging as we have had to delay such expansion plans due to the impact of COVID-19 pandemic. For further information on our store expansion plans, see “*Our Business – Strategies*” and “*Objects of the Offer*” on pages 163 and 103, respectively. While we have been able to defer these plans and focus on alternate distribution channels, there can be no assurance that we will be able to successfully achieve this strategy in the event of subsequent waves of the pandemic in India that lead to additional restrictive measures or hamper overall economic recovery. For instance, the second wave of the COVID-19 pandemic in India in April and May 2021 led to additional restrictive measures such as lockdowns and curfews in certain parts of India, restricting operations at our stores, and exposing our store operators to the increased risk of contagion. In the event there are subsequent waves of COVID-19, we may not be able to successfully implement our growth strategy, or operate our stores profitably, or at all.

Further, throughout March and April 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. The impact of the ongoing second wave cannot be ascertained at this time, and while we cannot currently estimate the duration or future impact of the COVID-19 pandemic on our business or on the Indian or global economy, we expect the effects to continue into Fiscal 2022. Notwithstanding the measures we have adopted to increase safety and hygiene levels in our stores, and increased focus on online retailing, there can be no assurance that footfalls in our stores, sales, and demand for our products will fully recover from the impact of the COVID-19 crisis, and if they do not recover as a result of the COVID-19 crisis continuing or worsening, or otherwise, our business and results of operations would be significantly and adversely impacted. Further, while vaccination drives have begun, likelihood of subsequent waves of the COVID-19 pandemic in India remain high. There is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. In addition, if our Key Managerial Personnel or a significant percentage of our workforce is unable to work due to COVID-19 illness, quarantine, limitations on travel or other government restrictions in connection with the COVID-19 pandemic, our operations may be negatively impacted. An outbreak or perceived outbreak of the COVID-19 pandemic connected to one or more of our stores could also cause negative publicity directed at any of our brands and cause customers to avoid our stores, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and prospects. Also see “*Financial Statements*” on page 211.

4. *Our inability to identify customer demand accurately and maintain an optimal level of inventory in our stores may impact our operations adversely.*

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our stores.

We estimate our monthly sales for every fiscal prior to the commencement of the fiscal considering the estimated growth rate of every store, festive periods and other factors. Monthly inventory is monitored based on actual sales and other relevant factors. We typically introduce new styles every week. Since we need to maintain stock inventory for all styles in different sizes and colours, we keep a few months' inventory in our stores. Orders are placed every week for replenishment. Further, we keep back up inventory for a few days in our warehouses providing us flexibility in transporting merchandise of particular style to a store where it is selling quickly while avoiding piling of non-moving inventory. If a particular style is not selling well in certain stores, we may undertake cross shipment of such styles to stores where it is selling faster. The slow moving styles are monitored and additional incentives may be offered to minimise inventory build-up for discounted sales periods. The discounted sale period is scheduled twice a year as an end-of-season sale.

Although there are checks to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any material mismatch between our forecast and actual sales could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation. Stock of inventory may also be impacted by disruptions faced in the transportation of our products or adverse developments affecting our warehouses and the inventory stocked therein. Also see, "*Both our warehouses are located in Bhiwandi, Maharashtra, and any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition and results of operations*" on page 40.

5. *Our inability to promptly identify and respond to changing customer preferences or evolving trends may decrease the demand for our products among our customers, which may adversely affect our business, profitability and results of operations.*

We operate in the highly competitive footwear retail market and rely on the continued demand for our products in the markets we are present in. The markets for our products are characterised by frequent changes, particularly customer preferences and new designs. In order to maintain and increase revenues and profitability, we are required to continuously address market trends and consumer preferences and procure and sell designs and merchandise that appeal to our customers. The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which will affect our ability to meet customer demand. Customer preferences in the markets we operate in are difficult to predict and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. In the event of a significant change in consumer preferences or in the event of an inability on our part to anticipate or react to such changes, it could result in reduced demand for our merchandise and erosion of our competitive position and goodwill and could adversely affect our business, prospects, results of operations and financial condition.

In relation to several of our products, we depend substantially on our ability to carry new styles or those in line with recent trends, to expand our operations and market share. Before we can introduce a new variant to an existing product, we must successfully execute a number of steps, including successful market research, customer acceptance of our new products, while scaling our vendor and infrastructure networks to increase or change the nature of our inventory. We likewise depend on the successful introduction of new production and manufacturing processes by our vendor partners to create innovative products, achieve operational efficiencies and adapt to technological advances in, or obsolescence of their technology while ensuring that such products continue to remain affordable.

Our continued success depends on our ability to anticipate, gauge and react in a timely and cost-effective manner to changes in customer tastes for our products, as well as to where and how customers shop for those products. We must continually work to stock and retail new product categories and styles, maintain and enhance the recognition of our brands, achieve a favourable mix of products, and refine our approach as to how and where we market and sell our products. While we try to introduce new product categories or variants, we recognise that customer tastes cannot be predicted with certainty and can change rapidly, and that there is no certainty that these will be

commercially viable or effective or accepted by our customers. If we are unable to foresee or respond effectively to the changes in market conditions, there may be a decline in the demand for our products, thereby reducing our market share, which could adversely affect our business and results of operations. In addition, surplus stock that does not match customer preference may also result in significant write-offs of inventory, thereby adversely affecting our business and results of operations. While we have not had any such significant write-offs in the past, there can be no assurance that such write-offs will not be required in the future, which would adversely affect our results of operations, and financial condition.

6. *We may not be successful in maintaining and enhancing awareness of our brands. Any deterioration in public perception of our brands could affect customer foot fall and consequently adversely impact our business, financial condition, cash flows and results of operations.*

We sell products under our own brands of ‘Metro’, ‘Mochi’ and ‘Walkway’, among others, which we believe are well recognized, having been developed to serve the footwear needs of customers across India. Our success therefore depends on our ability to maintain the brand image of our existing products and effectively build our brand image for new products and brand extensions. Our ability to attract and retain customers is dependent upon public perception and recognition of the quality associated with these brands. Negative reviews from customers regarding the quality of our products, dissatisfaction amongst our vendors, inability to deliver quality products at competitive prices and accidents, injuries or crimes at our stores could adversely affect public perception. Further, allegations of product defects or misbranding, even when false or unfounded, could tarnish our image and may cause customers to choose other products

As the majority of our income is derived from our retail activities, maintaining and enhancing our brand may require us to make substantial investments in areas such as outlet operations, employee training, marketing and advertising, and these investments may not be successful. We plan to continue to enhance the brand recall of our products through the use of targeted marketing and public relations initiatives, specifically with respect to new geographies we intend to enter. In Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, our advertisement and sales promotion expenses were ₹ 437.12 million, ₹ 479.76 million, ₹ 160.79 million, ₹ 36.43 million and ₹ 89.48 million or 3.59%, 3.73%, 2.01%, 2.06% and 1.96% of our revenue from operations, respectively. If our marketing and advertising campaigns are poorly executed, or we are required to incur additional expenditures than budgeted, our business and results of operations may be adversely affected. If we fail to maintain our reputation, enhance our brand recognition or increase positive awareness of our products, or the quality of our products declines, our business and prospects may be adversely affected.

As our business expands into new cities and as our markets become increasingly competitive, maintaining and enhancing our brand may become increasingly difficult and expensive. Since we have various brands which span different price points, we may not be able to focus or have the resources to market all our brands. If we are unable to enhance the visibility of our brands, it would have an adverse effect on our business, reputation and our financial condition.

7. *If we are unable to effectively manage or expand our retail network and operations or pursue our growth strategy, our new stores may not achieve our expected level of profitability which may adversely affect our business prospects, financial condition and results of operations.*

We sell our products through MBOs, EBOs, and SIS in large format stores. Our business and operations have grown rapidly in recent years. We expanded our store network from 504 Stores as of March 31, 2019 to 586 Stores as of March 31, 2021 to 598 stores as of September 30, 2021, and as part of our growth strategy, we plan to further expand our store network in India. However, as of the date of this Prospectus, we have not determined the location for such new stores. For further information, see “*Objects of the Offer*” on page 103.

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including: our ability to position our new stores to successfully establish a foothold in new markets and to execute our business strategy in new markets; the demand of our products in such new markets; our ability to get suitable properties at commercially viable prices; our ability to successfully integrate the new stores with our existing operations and achieve related synergies; our ability to introduce an optimal mix of merchandise which successfully meets local customer preferences at attractive prices; our ability to negotiate and obtain favourable

terms from our vendors; the effectiveness of our marketing campaigns; our ability to hire, train and retain skilled personnel; the competition that we face from incumbent and new footwear retailers in the region; and exposure to expropriation or other government actions; political, economic and social instability.

We will also be required to obtain certain approvals to carry on business in new locations and there can be no assurance that we will be successful in obtaining such approvals. For details of material approvals required to carry on business, see “*Government and Other Approvals*” on page 337. Further, we expect our expansion plans to place significant demand on our managerial, operational and financial resources, and our expanded operations will require further training and management of our employees and the induction and training of new employees. In addition, as we enter new markets, we face competition from both organised and unorganised footwear retailers.

We have closed and / or relocated 44 Stores due to commercial considerations in the last three fiscals, and closed another 14 in the six months ended September 30, 2021. The following table sets forth the total number of stores in our network in the periods indicated:

	Fiscal			As of and for the six months ended September 30,	
	2019	2020	2021	2020	2021
Number of Stores at the beginning of the period	419	504	551	551	586
Number of Stores opened during the period	95	57	59	14	26
Number of Stores closed during the period	10	10	24	14	14
Number of Stores at the end of the period	504	551	586	551	598

While the number of stores closed in each of the periods was less than 5% of stores at the beginning of the period, we opened additional stores during the same period and accordingly, this did not result in a material adverse impact on our business, financial condition and results of operations. However, there can be no assurance that store closures in future will not adversely impact our business, financial condition and results of operations. If any of our stores do not achieve our expected level of profitability within our expected timeframe, or at all, our expansion plans and our results of operations, financial condition and profitability may be materially and adversely affected and we may decide to close some of these stores. An inability to effectively manage our expanded operations or pursue our growth strategy may lead to operational and financial inefficiencies, which could have a material adverse effect on our business prospects, financial condition and results of operations.

8. *We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.*

The Offer consists of an Offer for Sale along with the Fresh Issue. The Selling Shareholders, who include the Promoters, certain members of the Promoter Group and Other Selling Shareholders of our Company, shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses for the share of the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale.

9. *The premises of all our stores and warehouses are leased. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected.*

As our stores are operated on properties that are either leased or obtained on a leave and license basis, we are exposed to the market conditions of the retail rental market. Further, both our warehouses are also held on a leave-and-license basis. We generally enter into lease agreements with initial terms of three to 10 years, and certain of these agreements have lock-in periods preventing our Company and/or the lessors from terminating the agreement within a stipulated period, without forfeiting the security deposit provided. Most of our lease agreements contain an early termination clause that permits us to terminate the lease agreement early for the reasons specified therein. While we have renewal options for certain of our leases, we typically need to renegotiate the terms of renewal with the lessor, who may insist on a significant modification to the terms and conditions of the lease agreement. In Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2021, 10, 10, 24, and 14 agreements, respectively, for our stores were terminated and such stores accounted for 1.98%, 1.81%, 4.10%, and 2.34% of our total stores as of March 31, 2019, 2020 and 2021 and as of September 30, 2021. While such terminations did not result in any material financial impact on our operations, there can be no assurance that similar terminations in future will not have an adverse impact on our operations, financial condition and results of operations.

The rent under the majority of our current store lease agreements is generally payable in one of three ways: (i) fixed rent; (ii) the higher of a fixed base rent or a percentage of the store’s monthly sales revenue; or (iii) a percentage of

the store's monthly sales revenue. In addition to increases in rent resulting from fluctuations in annual sales revenue, certain of our lease agreements include provisions specifying fixed increases in rental payments over the respective terms of the lease agreements. While these provisions have been negotiated and are specified in the lease agreement, they will increase our costs of operation and therefore may materially and adversely affect our results of operation if we are not able to consistently increase sales per store for the subsequent years.

Where we do not have an option to renew a lease agreement, we must negotiate the terms of renewal with the lessor, who may insist on a significant modification to the terms and conditions of the lease agreement. If a lease agreement is renewed at a rate substantially higher than the existing rate, or if any existing favorable terms granted by the lessor are not extended, we must determine whether it is desirable to renew on such modified terms. If we are unable to renew leases for our store sites on acceptable terms or at all, we will have to close or relocate the relevant stores, which would eliminate the sales that those stores would have contributed to our revenues during the period of closure, and could subject us to construction, renovation and other costs and risks.

As part of our store roll out process, we enter into letters of intent or term sheets and submit deposits to the relevant owners of the properties where a new store will be located once we have identified a site to develop. The letters of intent or term sheets are typically followed by a definitive lease agreement in the form of a lease deed or leave and license agreement being entered into between the parties within a specified time period or they terminate unless extended. We may be delayed or be unable to enter a definitive lease agreement with respect to a specific site for various reasons, some of which are beyond our control, which may result in us not being able to recover deposits placed with relevant owners. Further, in the event such letters of intent lapse or are terminated, we may have to identify alternate store locations for which we expend significant time and resources. In addition, lease agreements are required to be duly registered and adequately stamped under Indian law and if one of our lease agreements is not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India subject to penalties along with the requisite stamp duty prescribed under applicable Indian law being paid.

10. We are dependent on third-parties for the manufacturing of all the products we sell. Any disruptions at such third-party manufacturing facilities, or failure of such third-parties to adhere to the relevant quality standards may have a negative effect on our reputation, business and financial condition.

We engage third party service providers and vendors for the procurement of all our products, including footwear under the brands Metro, Mochi and Walkway. We engaged with over 250 vendors in Fiscal 2021 and the six months ended September 30, 2021, respectively, a significant majority of whom are located in India. Further, in Fiscal 2019, 2020 and 2021, and the six months ended September 30, 2020 and September 30, 2021, our top 50 vendors contributed 69.95%, 71.26%, 75.27%, 89.95% and 77.07% of our total in-house products.

Any unscheduled, unplanned or prolonged disruption of operations at our vendors' manufacturing facilities, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour or disagreements with workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could affect our vendors' ability to meet our requirements, and could consequently affect our operations. We are also exposed to the risk of our service providers and vendors failing to adhere to the standards set for them by us and statutory bodies in respect of quality, safety and distribution which in turn could adversely affect our sales and revenues.

There have been instances in the past where we have experienced disruptions on account of issues with our top 50 vendors including on account of COVID-19, delay in supply and quality issues, however, these have not had any material impact on our business, results of operations or financial condition.

Any delay or failure on the part of our vendors to deliver the products in a timely manner or to meet our quality standards, or any litigation involving these vendors may cause a material adverse effect on our business, profitability and reputation. We may also be unable to replace these vendors at short notice, or at all, and may face delays in production and added costs as a result of the time required to identify new vendors to undertake manufacturing in accordance with our standard processes and quality control standards, all of which may adversely affect our results of operations and financial condition. Also, see “– We do not have definitive agreements or fixed terms of trade with most of our vendors. Failure to successfully leverage our vendor relationships and network or to identify new vendors could adversely affect us.” on page 44.

11. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency.

We intend to use the Net Proceeds for the purposes of expenditure for opening new stores of the Company, under the “Metro”, “Mochi”, “Walkway” and “Crocs” brands (“New Stores”), and general corporate purposes, as described in “*Objects of the Offer*” on page 103. Our estimated costs for opening of the New Stores are based on (i) valid and existing quotation dated November 26, 2021 from Rajiv Parekh, Architect, for the purposes of fit-out costs, (ii) costs incurred by the Company towards store inventory at the time of setting up new stores under the Metro, Mochi, Crocs and Walkway brands, derived based on average of inventory cost for new stores opened in Fiscal 2019, 2020 and 2021 (including taxes), and (iii) cost incurred by the Company towards payment of security deposits at the time of setting up new stores under the Metro, Mochi, Crocs and Walkway brands, derived based on average of security deposit paid for new stores opened in Fiscal 2019, 2020 and 2021. For further information, see “*Objects of the Offer*” on page 103.

Accordingly, prospective investors in the Offer will need to rely upon our management’s judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business, profitability and results of operations.

12. We have entered into, and may continue to enter into, related party transactions which may not always enable us to achieve the most favourable terms.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include remuneration to executive Directors and Key Managerial Personnel, payment of dividend, rental income, sale of goods. For further information relating to our related party transactions, see “*Financial Statements – Related Party Transactions*” on page 256. While we believe that all such transactions have been conducted on an arm’s length basis, in compliance with the provisions of the Companies Act, 2013 and the applicable accounting standards and are not prejudicial to the interest of the Company, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscal 2019, 2020, and 2021, and in the six months ended September 30, 2020 and September 30, 2021, the aggregate amount of such related party transactions was ₹ 878.88 million, ₹ 366.98 million, ₹ 629.37 million, ₹ 376.87 million, and ₹ 385.56 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021 was 7.22%, 2.86%, 7.87%, 21.35% and 8.46%, respectively.

Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the SEBI Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further information on our related party transactions, see “*Summary of the Offer Document - Related Party Transactions*” on page 25.

13. We have in the past been unable to disburse funds allocated towards meeting corporate social responsibility requirements under the Companies Act, 2013.

Companies meeting certain financial thresholds are required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average profit/(loss) before tax of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Inability to meet these requirements may result in, *inter alia*, our Company, Directors and Key Managerial Personnel being subject to such penalties and formal actions as prescribed under the Companies Act, 2013. We have previously been unable to disburse the amounts allocated towards meeting these requirements due to delays in identifying and finalizing tie-ups with non-government organizations for discharging the CSR obligations. We are actively evaluating various initiatives for our CSR activities and have also appointed a person to focus exclusively on CSR activities. For instance, amounts spent towards CSR amounted to ₹ 13.55 million, ₹ 21.68 million, ₹ 24.06 million, ₹ 6.15 million and ₹ 20.23 million in Fiscal 2019, 2020, and 2021, and in the six months ended September 30, 2020 and September 31, 2021, respectively, compared to the amounts we were required to spend of ₹ 32.78 million, ₹ 39.28 million, ₹ 43.24 million, ₹ 22.92 million and ₹ 17.32 million in such periods, respectively. To meet our unspent CSR obligation of ₹ 19.23 million for Fiscal 2021, during the period April 2021 to September 2021,

the entire amount was spent towards CSR activities before the due date of September 30, 2021. For further information, see “*Restated Consolidated Financial Information – Note 34: Expenditure on Corporate Social Responsibility*” on page 267. There can be no assurance that we will be able to consistently meet these requirements in the future.

14. Industry information included in this Prospectus has been derived from a third party industry report, exclusively commissioned and paid for by us.

We have used the report titled “*Assessment of organised retail and footwear industries in India*” dated August 2021 with Addendum dated November 2021 by CRISIL Research Limited appointed on May 5, 2021, for purposes of inclusion of such information in this Prospectus, and exclusively commissioned by our Company for purposes of inclusion of such information in the Offer Documents at an agreed fees to be paid by our Company. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Given the scope and extent of the CRISIL Report, disclosures are limited to certain excerpts and the CRISIL Report has not been reproduced in its entirety in this Prospectus. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. The report is a paid report, and is subject to various limitations and based upon certain assumptions that are subjective in nature. In addition, statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus. Also see, “*Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data*” on page 15.

15. The operation of Crocs EBOs depends on our material agreements with Crocs, which impose certain restrictions, limitations and other obligations on our operations that could adversely affect our business, results of operations and financial condition.

We operate MBOs of our own brands as well as EBOs for Crocs™ in India. We operate our Crocs EBOs based on a non-exclusive retail license agreement entered into with Crocs in 2015. Under the Crocs Agreement, our Company is required to seek the prior approval of Crocs, amongst others, for opening of new stores. In addition, our rights under the Crocs Agreement are restricted to: (i) selling Crocs™ lifestyle footwear and Jibbitz™ products manufactured by or for Crocs Inc. and / or its affiliates at certain select retail stores and retail kiosks owned and/or operated by our Company; (ii) using the trademark of Crocs and the associated goodwill in relation to sale of these products. This licence is non-exclusive, limited, revocable, non – transferable and cannot be transferred or further sub-licenced. For further information, see “*Our Business – Brands Retailed*” and “*History and Certain Corporate Matters – Other Agreements*” on pages 169 and 184, respectively.

The non-exclusive retail agreement with Crocs dated April 25, 2015, as amended by way of an amendment agreements entered into on July 1, 2017, has a term of 18 years. After the first term of three years, the contract provides for automatic renewal for five successive periods of three years. The Crocs Agreement may be terminated by Crocs including as a result of our failure to achieve minimum number of store opening targets (as set by Crocs from time to time) or a breach under the agreement by us, including, without limitation, due to selling any counterfeit products, infringement of trademarks and failure to comply with marketing policies. Either party also has a right to terminate the agreement without any cause, after giving notice of 120 days. Termination of this arrangement may lead to shutting down of our Crocs™ stores which would have a material adverse impact on our business, brand, results of operations and financial condition.

Furthermore, we cannot control or influence the actions of Crocs, who may at any time have economic, business or legal interests or goals that are inconsistent with ours. If it takes certain actions that we do not agree with, our business operations may be adversely affected, which would have a material adverse effect on our business, results of operations and financial condition.

16. A significant portion of our revenue is generated from sale of third-party brands, and the loss of one or more such brands, or a reduction in demand for their products could adversely affect our business, results of operations, financial condition and cash flows.

In Fiscal 2019, 2020 and 2021, and the six months ended September 30, 2020 and September 30, 2021, revenue from sale of third-party branded products at our MBOs generated ₹ 2,994.90 million, ₹ 3,100 million, ₹ 1,895.38 million, ₹ 451.45 million and ₹ 945.40 million, and represented 29.67%, 30.62%, 30.76%, 36.34% and 28.92% of our Company’s revenue from operations at our MBOs in such periods, respectively (on a standalone basis). For further information on these brands, see “*Our Business – Our Operations*” on page 165. We retail products of such third-party brands based on various retailship and distribution agreements entered into with them. In each of the last three Fiscals, and the six months ended September 30, 2020 and September 30, 2021, we retailed over 25 third party brands that generated

revenues of ₹ 2,994.90 million, ₹ 3,100 million, ₹ 1,895.38 million, ₹ 451.45 million and ₹ 945.40 million, respectively. We have, over a period of time, phased out products of certain brands in the last three Fiscals on account of underperformance of a particular brand or because of non-alignment on terms of trade. This has, however, not resulted in any material impact on our business, financial condition and results of operations. We cannot assure you that we will be able to maintain historic levels of business from such third-parties, or that these third-party brands will continue to retail their products through us in the future at all. In addition, our revenues may be adversely affected if there is a change in any of such third-party's distribution strategies. Maintaining strong relationships with such third-parties is, therefore, essential to our business strategy and to the growth of our business. Also see, “ – *Our business partly depends on the continued success and reputation of our third-party brands globally, and any negative impact on these brands, or a failure by us or owners of these brands to protect them, as well as other intellectual property rights and proprietary information, may adversely affect our business, results of operations and financial condition.*” on page 40.

We have entered into a non-binding term sheet dated July 27, 2021 with Fitflop, a global brand offering shoes for all-day wearing, using a combination of biomechanics, comfort and fashion (the “**Fitflop TS**”). The Fitflop TS sets out, among other matters, our exclusive right to distribute Fitflop products in India via all channels including online. We are currently in the process of entering into a distribution agreement with Fitflop which is under negotiation and has not been finalized as on the date of this Prospectus. However, the Fitflop TS remains subject to a definitive agreement proposed to be entered into between the parties failing which it may be terminated. Fitflop is also entitled to terminate the Fitflop MOU with immediate effect in case of any material breach by the Company, challenges to validity of ownership of any part of the product intellectual property, failure to meet minimum supplier receipt requirements, and inability to provide substantially accurate quarterly forecasts. We may be delayed or be unable to enter into such a definitive agreement for various reasons beyond our control including commercially acceptable terms, which may result in us not being able to continue our relationship with Fitflop. Further, as the Fitflop TS is not legally binding on the parties, there can be no assurance that the definitive agreement when finalized and negotiated will not significantly vary from the Fitflop TS, including with respect to our exclusive distribution rights contemplated therein. In the event we are unable to enter into the agreement with Fitflop, we may be required to stop distributing Fitflop products in India and return unsold inventory which may negatively impact our business and results of operations.

17. We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, or these requirements are made more stringent, we may be unable to fully or partially operate our business and our results of operations may be adversely affected.

Our operations are subject to government regulation concerning retail and we are required to obtain and maintain several statutory and regulatory permits and approvals under central, state and local government rules for operating our business generally, including tax registrations, shops and establishment registration and trade license. For further information on approvals relating to our business and operations, see “*Government and other Approvals*” on page 337. A majority of these approvals are granted for a limited duration. Some of these approvals have expired and we have either made or are in the process of making an application for obtaining its renewal. For further information on (a) material approvals applied for, including renewal applications made, but not received by our Company; (b) material approvals required but not applied for by our Company; and (c) material approvals which have expired but renewals are not applied for by our Company, see “*Government and Other Approvals*” on page 337.

Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. The approvals required by us are subject to numerous conditions including *inter alia* minimum fire safety measures in the store premises, intimation requirement to the relevant authority for expansion of business area, requirement of application for renewal at least a month prior to the expiry of existing licenses etc., the material approvals are trade license for each store and registration under the shops and establishment legislations of the relevant state. We cannot assure you that these would not be suspended or revoked in the event of accidental non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us, through a failure of our employees, Directors or Promoters, to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

Pursuant to the Footwear made from Leather and other materials (Quality Control) Order, 2020, and Footwear made from Rubber and all Polymeric material (Quality Control) Order, 2020, issued by the DPIIT, the Bureau of Indian Standards (BIS) of India has, in 2021, notified that footwear made from rubber/ polymeric material, leather and other material and personal protective equipment footwear, will require a BIS certification with effect from July 1,

2022. The impact of such notification on our operations is currently uncertain and may require our vendors to obtain certain registrations and licenses, reassess the use of certain raw materials in our footwear products, mandate affixation of the 'ISI' mark on the footwear that we retail, and may additionally impose certain labelling/ packaging restrictions. As the relevant orders will only be effective from July 1, 2022, at this time we are unable to appropriately quantify the impact these may have on our operations, including any increased costs of procuring products only from vendors who are compliant with requirements under the orders, higher expenses that may be incurred to comply with packaging/ labelling restrictions etc. However, certain steps undertaken by us to comply with such orders include appointment of an external agency as a consultant for guidance, training, and implementation of this order and organising training sessions for our vendors and employees by the consultant regarding the implementation process of the order. These, along with any other guidelines that may become applicable to our vendors, may result in use of alternate raw materials and packaging materials that may increase our operational costs, and adversely impact our margins.

18. There are outstanding litigation proceedings against our Company, Directors and Promoters. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are outstanding legal proceedings against our Company, Directors and Promoters, which are pending at various levels of adjudication before various courts, tribunals and other authorities.

The summary of outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation (as defined in the section "Outstanding Litigation and Other Material Developments" on page 325) involving our Company, Directors and Promoters.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved* (₹ in million)
Company						
By the Company	13	-	-	-	2	52.71
Against the Company	6	12	59	-	1	140.62
Directors***						
By the Directors	Nil	-	-	-	Nil	Nil
Against the Directors	2**	1	Nil	-	1 [@]	0.22
Promoters (excluding cases involving our Directors)						
By the Promoters	Nil	-	-	-	Nil	Nil
Against the Promoters	Nil	-	Nil	Nil	Nil	Nil
Subsidiaries						
By the Subsidiaries	Nil	-	-	-	Nil	Nil
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

*To the extent quantifiable.

** Includes a criminal proceeding against one of our Promoters, Rafique A. Malik.

*** Other than proceedings involving our Company to which our Directors are party.

[@]Involves a material civil litigation against one of our Promoters, Rafique A. Malik.

There are no pending litigations involving our Group Companies which may have a material impact on our Company.

There is a proceeding initiated by the General Branch, Crime Branch, Criminal Investigation Department, Mumbai on September 10, 1996 ("FIR") against inter alia our Company and Rafique A. Malik under Section 120(B), read with Sections 465, 467, 468, 471, 419, 420 and 403 of the IPC on the alleged grounds that certain leather co-operative societies, formed to help cobblers in their business, were instead extracting money from banks and

financial institutions, which was being misappropriated by the co-operative societies and the persons named in the FIR. The matter is presently pending. For further information, see “*Outstanding Litigation and Other Material Developments – Outstanding criminal litigation against our Company*” on page 327.

There can be no assurance that these legal proceedings will be decided in our favor or in favor of our Company, Directors and Promoters. In addition, we cannot assure you that no additional liability will arise out of these proceedings. Decisions in such proceedings adverse to our interests may have an adverse effect on our business, results of operations and financial condition.

19. *Both our warehouses are located in Bhiwandi, Maharashtra, and any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition and results of operations.*

Both our warehouses are located in Bhiwandi in the state of Maharashtra in India. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local governments in this region could adversely affect operations at our warehouses. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or diseases heightened or particular to the region, may adversely impact the supply of products and local transportation.

Any such adverse development affecting continuing operations at our warehouses could result in significant loss from inability to meet inventory schedules and stock our stores appropriately, which could materially affect our business reputation within the industry. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, profitability and reputation.

20. *Our business partly depends on the continued success and reputation of our third-party brands globally, and any negative impact on these brands, or a failure by us or owners of these brands to protect them, as well as other intellectual property rights and proprietary information, may adversely affect our business, results of operations and financial condition.*

In Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, revenue from sale of third-party branded products at our MBOs generated ₹ 2,994.90 million, ₹ 3,100 million, ₹ 1,895.38 million, ₹ 451.45 million and ₹ 945.40 million, which represented 29.67%, 30.62%, 30.76%, 36.34% and 28.92% of our Company’s revenue from operations at our MBOs in such periods, respectively (on a standalone basis). For further information on these brands, see “*Our Business – Our Operations*” on page 165. Our success to this extent is therefore directly related to the success of these third-party brands, globally, including their financial condition, marketing strategies, product development as well as overall quality and success of their operations amongst competitors. We have no control over the management or operations of such brands globally except for those jurisdictions and outlets developed and operated by us. As a result, a variety of factors affecting these brands that are beyond our control could have a material adverse effect on our business. These factors include negative publicity with respect to these brands and loss of reputation due to quality complaints globally, initiation of legal proceedings, operational failures and regulatory investigations, which adversely impact these brands.

Further, under the terms of our material agreements in relation to these brands we are required to protect their intellectual property rights and other proprietary information. However, our efforts to protect this intellectual property and other proprietary information may prove to be inadequate and, as a result, the value of these brands as well as our own brands could be harmed. For instance, we may not be able to detect or prevent these brands from trademark or other infringements, and it is possible that other proprietary information, such as proposed pricing or product launch information, could be leaked by our employees, vendors, and other third-parties. If any of these were to occur and the brand image of these third-party offerings were harmed as a result, our competitive position in the footwear retailing industry in India and our ability to grow our business could be negatively impacted, which would adversely affect our business, results of operations and financial condition. In addition, franchisors/ owners of these third-party brands could deem any unauthorized use by us of their respective brands, their intellectual property rights or other proprietary information, or any action adversely affecting goodwill of their business, whether intentional or not, to be a breach of the terms of the relevant material agreements and seek to terminate our relationship, which would have a material adverse effect on our business, results of operations and financial condition.

Any damage to these third-party brands, whether attributable to us or otherwise, could adversely impact the trust placed in the particular brand and our reputation and cause existing customers or intermediaries to withdraw their business and reconsider doing business with us. Further, negative publicity may result in increased regulation and legislative

scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our profitability.

21. *Technology failures could disrupt our operations and adversely affect our business operations and financial performance.*

IT systems are critical to our ability to manage our large retail operations, warehouses, supply chain management and e-commerce sales and in turn, to maximize efficiencies and optimize costs. Our IT systems enable us to coordinate our operations, from planning and new orders and routing, customer delivery, invoicing, customer relationship management and decision support. Our main IT platforms include SAP S/4 HANA ERP system, TOC system to control inventory and replenishment, and other software applications which are designed to provide capabilities to address customer centric activities in the areas of customer relationship management, promotion management, inventory management, sales execution and warehouse management.

If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers. Challenges relating to the building of new IT structures can also subject us to certain errors, inefficiencies, disruptions and, in some instances, loss of customers. Our IT systems, and the systems of our third party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. We have security initiatives and disaster recovery plans in place to mitigate its risk to these vulnerabilities. Our business continuity plan sets out protocols to be adopted in the event of a disaster such as loss of utility services, connectivity, catastrophic events that cause interruption to our operations. The plan provides procedures and resources needed to assist in recovery and restoration of normal business operations as soon as possible, assists in minimizing confusion experienced during a crisis and contains protocol for document storage, safeguarding and retrieval procedures for vital records. For instance, the plan details the data back-up policy and emergency management procedures such as alternate connectivity and limiting functionality of systems at stores. However, such measures may not have been effectively implemented or may not be adequate to ensure that its operations are not disrupted.

22. *Our business is manpower intensive and subject to high attrition. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms.*

Our operations are manpower intensive and we are dependent on our store managers and sales personnel for a significant portion of our operations. As of September 30, 2021, we had 2,622 permanent employees, of which 1,985 were engaged at our stores. The success of our operations depends on availability of and maintaining good relationship with our workforce. Shortage of skilled personnel or disruptions caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. We may also be involved in litigation proceedings involving our employees, and our selling agents. For instance, we have initiated criminal proceedings against certain selling agents for misappropriation of stock and cash from our stores and dishonour of cheques issued in our favour. For details of proceedings against selling agents, please see "*Outstanding Litigation and Material Developments*" on page 325.

Our success also depends on our ability to attract, hire, train and retain skilled sales personnel. In the retail industry, the level and quality of sales personnel and customer service are key competitive factors and an inability to recruit, train and retain suitably qualified and skilled sales personnel could adversely impact our reputation, business prospects and results of operations. As we expand our network, we will need experienced manpower that has knowledge of the local market and the footwear retail industry to operate our stores. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the footwear retail sector in India. The attrition rate for our employees for Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2021, was 31.01%, 32.10%, 33.70% and 11.15%, respectively. There can be no assurance that attrition rates for our employees, particularly our sales personnel, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our stores in our existing markets or new markets that we are entering into. In the event that we are unable to hire people with the necessary

knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

Further, we engage independent contractors through whom we engage contract labour for performance of certain functions, such as security services and housekeeping services, and packing and dispatch. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial condition. We may also be subject to increasing manpower costs in India, which would directly impact our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand to. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. Additionally, we may face regulatory or statutory action for alleged violation of laws pertaining to employee/ labour benefits. Proceedings have been initiated in the past against us for non-compliance with payment obligations under the Employees' State Insurance Act, 1948, compliance requirements under the Minimum Wages Act, 1948, etc. and we have consequently made the requisite payments or paid the relevant fines. For details of outstanding proceedings involving violation of any applicable laws governing employees, please see "*Outstanding Litigation and Material Developments – Actions by statutory or regulatory authorities*" on page 328. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

23. The growth of online retailers may create pricing pressures, increase competition, and adversely affect our business, results of operations and financial condition.

We carry out sales through our stores and have been strengthening our alternate channels including websites and presence on e-commerce platforms to accept delivery orders placed on their mobile applications. The introduction and growth of e-tailing has made online shopping a material part of our business and growth strategy, and we believe the increasing presence of e-tailers and e-commerce platforms in India will have a significant impact on our business going forward. For instance, e-tailers that exclusively have only an online presence and no physical presence, may be able to price their products lower by leveraging on their asset light model, while introducing newer products and maintaining quality control. Further, the presence of e-commerce platforms has increased competition with other retail brands. Our Total Online Product Sales amounted to ₹ 191.08 million, ₹ 306.22 million, ₹ 571.57 million, ₹ 205.69 million and ₹ 525.42 million in Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, respectively, and represented 1.65%, 2.53%, 7.25%, 11.60% and 11.93% of our revenue from operations in such periods, respectively (on a standalone basis). Our Total Online Product Sales increased at a CAGR of 72.95% between Fiscal 2019 and Fiscal 2021. If e-tailing continues to increase, it is possible that footfalls in our stores could decrease, especially in light of the COVID-19 pandemic and continuing lockdown and curfew orders in various regions in India, unless we are able to adapt our business model to account for this change in consumer preference.

It is also possible that the negotiating leverage of e-commerce platforms with respect to our contracts with them could increase as their businesses grow, which means we may have to pay higher fees for their services or may have difficulty extending or renewing our agreements with them on commercially acceptable terms, or at all, in the future, especially if we fail to sufficiently develop and strengthen our own channels of online shopping or find alternative means to serve the increasing number of customers who prefer shopping on alternate channels such as mobile applications.

24. If we are unable to protect credit card or debit card data or any data related to any other electronic mode of payment, or any other personal information that we collect, our reputation could be significantly harmed.

The use of electronic payment methods and collection of other personal information exposes us to an increased risk of privacy and security breaches as well as other risks. Although we use secure private networks to transmit confidential information, third parties may have the technology or know-how to breach the security of the customer information transmitted in connection with credit and debit card sales and use of e-wallets, and our security measures and those of technology suppliers may not effectively prohibit others from obtaining improper access to this information. If a person is able to circumvent our security measures or otherwise gain access to the confidential information that we collect, they may be able to destroy or steal valuable information or otherwise disrupt our operations. We may become subject to claims for purportedly fraudulent transactions arising out of the actual or alleged theft of credit or debit card information or other confidential information, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. While we maintain a cyber liability insurance policy, any such claim or proceeding could cause us to incur significant unplanned expenses, which could have an adverse impact on our financial condition, results of operations and cash flows. Further, adverse publicity resulting

from these allegations could significantly harm our reputation and may have a material adverse effect on us and our stores.

Moreover, we receive and process certain personal financial and other information about our customers and employees when we accept credit cards for payment. While there have not been any instances of data leakage in the past, there can be no assurance that such incidents will not occur in future. While we do not store customers' credit and debit card payment information, the use and handling of this information is regulated by evolving and increasingly demanding laws and regulations in India. To maintain our data security and prevent data leakage we have implemented formal policies in relation to information security awareness, secure use of email and internet, loss prevention and misuse of data in application systems and network security. In the past there have been multiple phishing attempts, however, we deploy enterprise software to prevent such attempts and accordingly, none of these phishing attempts have been successful in the past. If our security and information systems are compromised as a result of data corruption or loss, cyberattack or a network security incident or our employees, or suppliers fail to comply with these laws and regulations, and this information is obtained by unauthorized persons or used inappropriately, it could subject us to litigation and government enforcement actions, damage our reputation, cause us to incur substantial costs, liabilities and penalties and/or result in a loss of customer confidence, any and all of which could adversely affect our business, financial condition and results of operations.

25. We may be unable to grow our business in semi-urban markets, which may adversely affect our business prospects and results of operations.

We continue to target growth opportunities and believe that the relatively low level of penetration of organised footwear retailers in semi urban markets provide significant growth opportunities. We intend to expand our store network to increase market penetration in tier 2 and tier 3 cities and smaller towns in India and make available a wider range of our products and merchandise in these markets. The following table sets forth our total numbers of Stores based on the type of city of location:

Stores	Number of stores as of March 31,			Number of stores as of September 30,	
	2019	2020	2021	2020	2021
Metro cities ⁽¹⁾	185	192	193	190	197
Tier I cities ⁽²⁾	165	179	188	179	189
Tier II cities ⁽³⁾	107	122	141	124	148
Tier III cities ⁽⁴⁾	47	58	64	58	64
Total	504	551	586	551	598

Notes:

1. Metro cities are cities with population of more than five million. In this Prospectus, metro cities refer to Mumbai, Kolkata, Delhi, Bengaluru, Chennai, Ahmedabad, Pune and Hyderabad.
2. Tier I cities are cities with population between one million to five million.
3. Tier II cities are cities with population between 0.3 million to one million.
4. Tier III cities are cities with population below 0.3 million.

However, if our strategic plans do not deliver the desired results, then the expansion of our store network may be hampered. Further, consumers in these regions are typically price conscious and we may be unable to compete effectively with the products of local competitors, particularly smaller unorganised footwear retailers. In addition, general disposable income levels of consumers in these markets may not continue to rise as anticipated by us, which may result in actual sales in such markets varying significantly from anticipated business projections from these markets and areas. If we are unable to grow our business in semi urban markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

26. We operate in a competitive market and any increase in competition may adversely affect our business and financial condition.

Our Company faces competition from existing footwear retailers, both organised and unorganised, and potential entrants to the footwear retail industry that may adversely affect our competitive position and our profitability. We expect competition could increase with new entrants coming into footwear retail industry, who may have more flexibility in responding to changing business and economic conditions, and existing players consolidating their positions. Some of our competitors may have access to significantly greater resources, including the ability to spend more on advertising and marketing and hence the ability to compete more effectively.

We face competition across our business activities from varied peers. Further, although e-tailing is not currently a major competitor in the product categories and the markets we operate, we may face increased competition from e-tailing in the future.

Some of our competitors are larger and have greater financial resources or a more experienced management team than us. Like us, they may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, which may have a negative effect on our sales. Further, our competitors may set up stores in the vicinity of our existing stores and may offer their products at lower prices, resulting in a decreasing of sales of our projects. We cannot assure you that we can continue to compete effectively with our competitors. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

27. *We do not have definitive agreements or fixed terms of trade with most of our vendors. Failure to successfully leverage our vendor relationships and network or to identify new vendors could adversely affect us.*

We are able to offer our customers a wide variety of quality footwear and allied merchandise primarily due to our strong relationships with our vendors. Our growth as a business depends on our ability to attract and retain high quality and cost efficient vendors to our network. Purchase of products from vendors amounted to ₹ 6,339.39 million, ₹5,821.79 million, ₹ 2,741.02 million, ₹ 226.04 million and ₹ 2,448.86 million in Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, and represented 52.09%, 45.30%, 34.26%, 12.80% and 53.70% of our revenue from operations in such periods, respectively. Further, we are dependent on a few key vendors for our operations. Purchases from our top five vendors was ₹ 2,533.57 million, ₹ 2,516.03 million, ₹ 946.90 million, ₹ 157.20 million, and ₹ 949.12 million, and represented 20.82%, 19.58%, 11.84%, 8.90% and 20.81% of our revenue from operations in Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, respectively. In order to maintain flexibility in procurement options, we do not have any long-term supply arrangements with most of our vendors and we procure our products on a purchase order basis. The arrangements with our vendors remain valid unless terminated pursuant to the terms of the arrangement. In addition, while vendors manufacture our designs exclusively for us, all our vendors work with us on a non-exclusive basis and may engage in other businesses that compete with ours or supply other products to our competitors. As we do not enter into any long-term arrangements, vendors may terminate their relationships with us at short notice due to various reasons, including insufficient capacity due to pre-existing orders placed by other retailers including our competitors. While we are entitled to terminate such arrangements on account of any breach of obligations by the vendors and claim damages, we may not in all instances be able to claim such damages. We may therefore face delays in production and added costs as a result of the time required to identify new vendors and familiarise them with our standard processes and quality control standards. For additional information regarding our vendor relationships, see “*Our Business*” on page 153.

The success of our vendor relationships depends significantly on satisfactory performance by our suppliers and their fulfilment of their obligations. If any of our suppliers fails for any reason to deliver the products in a timely manner or at all, it may affect our ability to manage our inventory levels, which in turn, may result in unavailability of products and merchandise thereby adversely affecting our customer shopping experience and our reputation. This may also result in an increase in our procurement costs which we may or may not be able to pass on to our customers. While we intend to continue to enter into new vendor relationships as a part of our business strategy, we may not be able to identify or conclude appropriate or viable arrangements in a timely manner or at all. Further, there can be no assurance that our relationships with new vendors in the future will necessarily contribute to a better experience for our customers or to our profitability. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

28. *Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable.*

Our Company has not been able to trace certain corporate records such as certain forms (including forms required to be filed under the Companies Act, 1956), filings, and minutes of meetings of our Board and Shareholders, in relation to the changes in the share capital of our Company and the allotments made by our Company, such as those in 1979, 1986 and 1988. Further, certain records relating to the transfers and acquisitions of Equity Shares made by our Promoters are not traceable. The share capital in relation to which certain corporate records are not traceable, amounts to 0.14% of our Company’s issued, subscribed and paid-up share capital prior to the Offer. For further information, see “*Capital Structure – Notes to the Capital Structure*” on page 75. As per certificate dated August 19, 2021, from Shweta R. Parwani, Practicing Company Secretary, who has conducted a search for such records

with the RoC as well as our Registered and Corporate Office, such records are not traceable. She has also provided comfort regarding the changes in share capital of the Company and allotments made in the relevant periods, in lieu of the non-traceable records.

Information in relation to such changes in share capital, allotments, and certain acquisitions and transfers made by our Promoters has been disclosed in the sections “*History and Certain Corporate Matters*” and “*Capital Structure*” on pages 181 and 75, in this Prospectus, based on the statutory register of members, minutes of the meetings of our Board (to the extent available), annual reports of our Company, bank and demat statements, depository instruction slips, share certificates, and information available with our Company. Further, we may not be able to furnish any further document evidencing the aforesaid details. For details of periods for which such documents are not available, please see “*History and Certain Corporate Matters*” and “*Capital Structure*” on pages 181 and 75, respectively. Considering that the percentage of non-traceable corporate records is minimal, these will not have any material impact on the operations of the Company.

We cannot assure you that the abovementioned corporate records will be available in the future. Further, we cannot assure you that our Company has filed such forms and filings in a timely manner or at all, in the past. Although no regulatory action/ litigation is pending against us in relation to such untraceable secretarial and other corporate records and documents, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

29. We depend on third-parties for our transportation needs. Any disruptions may adversely affect our operations, business and financial condition.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities for transportation of products from our warehouses to various stores. For this purpose, we hire services of transportation companies. Our reliance on such third party logistics providers may increase as we expand our retail operations and our warehouses.

Further, the value of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby adversely affecting our operations, profitability, reputation and market position.

30. Our Company has issued Equity Shares at a price that is lower than the Offer Price in the last 12 months.

Our Company has, in consultation with the BRLMs, undertaken a private placement of 73,136 Equity Shares for cash consideration aggregating to ₹ 32.91 million to 94 allottees, in the last 12 months preceding the date of this Prospectus. Further, our Company has intimated the Shareholders who were allotted Equity Shares pursuant to the Pre-IPO Placement, of there being no guarantee that the Offer or listing of the Equity Shares on the Stock Exchanges, will be successfully consummated. The aforesaid private placement was made at a price which is lower than the Offer Price. For further details, see “*Capital Structure – Notes to Capital Structure*” on page 75. The prices at which Equity Shares have been issued by us in the last 12 months should not be taken to be indicative of the Price Band, Offer Price and the trading price of our Equity Shares after listing.

31. We are dependent on a number of key personnel, including our Promoters and our senior management, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

We are highly dependent on certain of our Promoters, namely, Rafique A. Malik, Farah Malik Bhanji, and Alisha R. Malik, our directors, senior management and other key personnel for setting our strategic business direction and managing our business. While our Company does not have a business succession policy in place,

over the years we have been actively implementing measures to transition from a family-owned business to a professionally managed business. To this end, our Company has recently appointed a professional Chief Executive Officer. We also have a professional Chief Operating Officer and Chief Financial Officer as part of our management team. In addition, our Company has professional teams that manage different brands that we retail. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Due to the current limited pool of skilled personnel, competition for senior management, commercial and finance professionals in our industry is intense. There has been no attrition in the Key Managerial Personnel of our Company in the last three Financial Years, as there have only been two retirements due to superannuation, and Farah Malik Bhanji, who resigned as CEO to devote more time as the Managing Director, continues to be a Key Managerial Personnel. In the event of the loss of services of our directors, senior management or other key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on the Company's financial results and business prospects.

32. *Our business is subject to seasonality. Lower revenues in the festive period of any Fiscal may adversely affect our business, financial condition, results of operations and prospects.*

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Typically, we see an increase in our business before Diwali and during end of season sales. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods.

33. *We have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.*

We have entered into agreements with certain banks for short-term facilities. As of September 30, 2021, we had total borrowings (consisting of short-term borrowings) of ₹ 9.27 million, certain of which contain restrictive covenants, including requirements that we obtain consent from the lenders prior to undertaking certain matters including altering our capital structure, change in shareholding, further issuance of any shares, effecting any scheme of amalgamation or reconstruction, changing the management and dilution of Promoters' shareholding, creation of security, and amendment of our constitution documents. Further, in terms of security, we are required to create a mortgage or charge over our movable properties. We may also be required to furnish additional security, if required by our lenders. Additionally, we are required to, among others, maintain the prescribed debt coverage ratio, net total debt, and fixed asset coverage ratio. There can be no assurance that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. While we have received all relevant consents required for the purposes of this Offer and have complied with these covenants, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

The consequences of not being in compliance with terms and conditions of the loan agreements including the financial covenants could be acceleration of maturity of the facility sanctioned to us and declaring all amounts outstanding, enforcement of security and exercising by the lenders of any right available to them under such loan agreements. Further, any fluctuations in the interest rates or downgrade in the credit ratings assigned to our debt instruments may directly impact the interest costs of such loans. Our ability to make payments on and refinance our indebtedness will depend on our continued ability to generate cash from our future operations. We may not be able to generate enough cash flow from operations or obtain enough capital to service our debt. For further information, see "*Financial Indebtedness*" on page 322.

Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to a termination of our credit facilities, foreclosure on our assets, acceleration of all amounts due under such facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct and implement our business plans.

34. *Inability to manage losses due to fraud, employee negligence, theft or similar incidents may have an adverse impact on us.*

Our business and the industry we operate in are vulnerable to the problem of product shrinkage. While we have implemented measures to avoid stock shrinkage at our stores, these measures may not be entirely effective against shrinkage at our stores and warehouses. Shrinkage may occur through a combination of pilferage by employee,

damage, obsolescence and expiry and error in documents and transactions that go un-noticed. The retail industry also typically encounters some inventory loss on account of employee theft, shoplifting, vendor fraud, credit card fraud and general administrative error. Our business operations also involve a majority of cash transactions. Although we have not experienced any significant incidents in the past, we remain susceptible to such losses.

An increase in product shrinkage levels at our existing and future stores or our warehouses may force us to install additional security and surveillance equipment, which will increase our operational costs and may have an adverse impact on our profitability. Further, although we have cash management procedures and controls in place, there are inherent risks in cash management including, theft and robbery, employee fraud and the risks involved in transferring cash from our stores to banks. Finally, there have been few instances of employee dishonesty in the past and we cannot assure you that we will be able to completely prevent such incidents in the future. For details of such dishonesty by selling agents and action initiated against them, please see “*Outstanding Litigation and Material Developments*” on page 325.

In order to avoid recurrence of such incidents, we have formulated certain operating procedures. For instance, we conduct stock checks regularly to confirm the product quantities against sales made, which acts as a check against misappropriation. Further, we have put in place a procedure whereby all store managers are required to deposit sales money received, on the next working day itself. We reconcile cash deposited against our point-of-sale record to confirm that no cash is held back by the store managers. While we have obtained insurance for burglary, money, fire and fidelity, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

35. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our stores and warehouses or in the regions/areas where our stores and warehouses are located. Although we maintain insurance coverage such as fire policy, burglary policy for the stocks, assets and computers of the stores and the Registered Office, fire policy for the warehouse and Registered Office, special contingency policy for the stores, marine inland policy, machinery breakdown policy for DG sets, compressors and solar panels, cyber policy, contractor policy and insurance for our employees, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. As of September 30, 2021, our gross block of tangible assets (excluding building) is ₹ 2,366.58 million, of which we have an insurance coverage of ₹ 2,319.42 million which is 98.01% of gross block of tangible assets (excluding building). There have not been any instances of losses incurred in relation to which our Company has insurance coverage in the last three Fiscals and consequently, there have not been any instances in the past three Fiscals where the claim has exceeded the insurance coverage obtained by our Company. Further, no insurance claims made by our Company have been completely rejected.

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain losses which may not be covered by the Company, which we have not ascertained as at date. Further, while there has been no past instance of inadequate insurance coverage for any loss, we cannot assure that we will continue to accurately ascertain and maintain adequate insurance for losses that may be incurred in the future. For further information on the insurance policies availed by us, see “*Our Business - Insurance*” on page 176.

36. If we are not able to successfully develop and integrate any future brand acquisitions, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

We evaluate potential acquisition targets from time to time, and we may in the future seek to acquire businesses and brands in order to expand our operations and brand portfolio or to enter new markets. In the past, we have acquired a few brands including Cheemo and Walkway, and have invested in Metmill and our joint venture M. V. Shoe Care Private Limited, and may contemplate suitable opportunities in the future. We acquired the ‘Cheemo’ brand in Fiscal 2019 for an amount of ₹ 10 million, and we generated net revenues of ₹ 13.20 million, ₹ 49.73 million, ₹ 23.18 million, ₹ 3.95 million and ₹ 10.00 million in Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, respectively, from the sale of Cheemo products and such revenues

accounted for 0.12%, 0.43%, 0.32%, 0.25% and 0.25% of our Total Store Product Sales in such periods, respectively. The completion of acquisitions and, if completed, the successful integration of such newly acquired businesses into our operations may be difficult for a variety of reasons, including differing culture or management styles, poor records or internal controls and difficulty in establishing immediate control over cash flows. As a result, potential future acquisitions pose significant risks to our existing operations, including: additional responsibilities placed on our senior management, increased overall operating complexity of our business, additional cash expenditures to integrate acquisitions, and the need to attract and retain sufficient numbers of qualified management and other personnel. We may also become responsible for additional liabilities or obligations not foreseen at the time of an acquisition. Moreover, even if we are successful in integrating newly acquired brands assets and acquiring additional assets, expected synergies and cost savings may not materialise, resulting in lower than expected benefits from such acquisitions. We may also experience disputes in relation to such acquisitions and our failure to derive anticipated synergies could affect our business, financial condition and results of operations.

37. Any variation in the utilisation of the Net Proceeds from the Fresh Issue as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to utilize a majority of the Net Proceeds to open new stores. For further details of the proposed objects of the Offer, please see the section entitled “*Objects of the Offer*” on page 103. We cannot currently determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilisation of the Net Proceeds from the Fresh Issue as disclosed in this Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders, if applicable, would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by the SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Issue Proceeds, if any, which may adversely affect our business and results of operations.

38. Certain of our Directors and Key Managerial Personnel are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Directors (including our Promoters) and Key Managerial Personnel are interested in our Company, in addition to the regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or the shareholding of their relatives in our Company. Further, Rafique A. Malik is also interested to the extent of the property acquired by our Company in the preceding three years from the date of filing this Prospectus. For further information, see “*Our Promoters and Promoter Group – Interests of our Promoters – Interest in the Property of our Company*” on page 205. There can be no assurance that our Promoters and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see “*Capital Structure*” on page 75.

39. If we are unable to establish and maintain an effective system of internal controls and compliances our business and reputation could be adversely affected.

We manage regulatory compliance by monitoring and evaluating our internal controls, and ensuring that we are in compliance with all relevant statutory and regulatory requirements. Our Company has, in the past, made certain allotments of equity shares in violation of applicable provisions of the Companies Act, 1956, including Section 67 (3). The aforesaid violations were compounded pursuant to an order dated August 13, 2019 issued by NCLT, Mumbai. Further, holders of (a) equity shares allotted pursuant to the aforesaid allotments (“**Stated Shares**”) and/or (b) equity shares allotted pursuant to any corporate action on the Stated Shares (such as split of the face value of

the Stated Shares or bonus issuances on the Stated Shares) were provided an exit opportunity in accordance with the process as set forth in the SEBI circulars - CIR/CFD/DIL3/18/2015 and CFD/DIL3/CIR/P/2016/53 dated December 31, 2015 and May 3, 2016 respectively. For further details, see “*Capital Structure*” on page 75.

However, there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

40. Our Company may not be able to pay dividends in the future.

Our Company has declared and paid dividends in the past, in accordance with a dividend policy. Any dividends to be declared and paid in the future are required to be recommended by our Company’s Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company’s ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company’s shareholders in future consistent with our past practices, or at all. For details pertaining to dividend declared by our Company in the past, see “*Dividend Policy*” on page 210 of this Prospectus.

41. We have in this Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian footwear retailing industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian footwear retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*” on page 299.

42. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialize, may adversely affect our financial condition.

As of September 30, 2021, our contingent liabilities that have not been accounted for in the Restated Consolidated Financial Information, were as follows:

Particulars	Amount (₹ million)
Contingent Liabilities and Commitments	
(i) Contingent Liabilities	
(a) Claims not acknowledged as debts	
Central excise	0.89
Service tax	1.06
Sales tax	72.49

Particulars	Amount
	(₹ million)
GST	0.79
Income tax	0.30
(b) Others (money for which the group is contingently liable)	2.05
(ii) Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	56.96

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further information, see “*Financial Statements*” on page 211.

43. *Our Promoters and Promoter Group will continue to exercise significant influence over us after completion of the Offer.*

As on the date of this Prospectus, our Promoters and Promoter Group hold 83.99% of the issued and outstanding equity share capital of our Company. Post listing, our Promoters and Promoter Group will continue to exercise significant influence over us through their shareholding after the Offer. In accordance with applicable laws and regulations, our Promoters will have the ability to exercise, directly or indirectly, a significant influence over our business.

44. *If we are unable to raise additional capital, our business prospects could be adversely affected.*

We intend to fund our growth and expansion plans through our cash on hand and cash flow from operations. We will continue to incur significant expenditure in maintaining and growing our existing store and warehouse network. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash on hand and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Also see, “ – *We have incurred indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.*” on page 46.

Our ability to arrange financing and the costs of capital of such financing are dependent on several factors, including our credit ratings, general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and regulatory framework that allows us to raise capital. Our long-term bank facilities are rated CARE AA; Stable and short-term bank facilities are rated CARE A1+, by CARE Ratings Limited. Our credit rating reflects, amongst other things, the rating agency’s opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our ratings may increase borrowing costs in the future and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations, and the price of our Equity Shares. In addition, non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

45. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.*

We have foreign currency payables for supply of certain raw materials, and products, and are therefore, exposed to foreign exchange risk between the Indian Rupee and U.S. dollars and other foreign currencies. We do not have a formal hedging policy for our Company. Our net gain on foreign currency transactions and translation was ₹ 6.63 million, ₹ 1.67 million, ₹ 2.44 million, ₹ 0.96 million and ₹ 3.01 million in Fiscal 2019, 2020 and 2021, and the six months ended September 30, 2020 and September 30, 2021, respectively. Any significant fluctuation in the value of the Indian Rupee against such currencies including as noticed recently in the case of the US Dollar, may adversely affect our results of operations. Any appreciation of foreign currencies against the Indian Rupee may result in reduction of our margins and consequently have an adverse effect on business and result of operations. Also see, “*Financial Statements – Note 37.4: Financial Risk Management*” on page 271.

46. *Our operations may involve certain transactions in or with countries or persons that are subject to U.S. and*

other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. Although we believe we have compliance systems in place that are sufficient to block prohibited transactions, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. We may enter into transactions with suppliers or logistics providers who may be doing business with countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

EXTERNAL RISK FACTORS

RISKS RELATING TO INDIA

47. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Restated Consolidated Financial Information for Fiscal 2019, 2020 and 2021, and for the six months ended September 30, 2020 and September 30, 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our Restated Consolidated Financial Information were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be different. Prospective investors should review the accounting policies applied in the preparation of our Restated Consolidated Financial Information, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting standards on the financial disclosures presented in this Prospectus should be limited accordingly.

In addition, the Ministry of Corporate Affairs (“MCA”) has wide notification dated March 30, 2019 notified ‘Ind AS 116 – Leases’ and we were required to adopt Ind AS 116 from April 1, 2019. We have adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to our leases using the modified retrospective approach, and have taken the cumulative adjustment to retained earnings, on the date of initial application, i.e. April 1, 2018. Consequently, we recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and the right of use asset at the carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application. Accordingly, previous period information has not been restated. On transition to Ind AS 116, i.e., April 1, 2018, we (i) applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date; (ii) excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application; (iii) did not reassess whether a contract is, or contains, a lease at the date of initial application, but instead applied the standards only to contracts that were previously identified as leases under Ind AS 17; and (iv) used hindsight in determining the lease term where the contract contained options to extend or terminate the lease. For further information on such impact, see “*Management’s Discussion and Analysis on the Financial Conditions and Results of Operations – Changes in Accounting Policies*” on page 298.

Therefore, our audited consolidated financial statements for Fiscal 2019 are not comparable with the Restated Consolidated Financial Information as of and for the year ended March 31, 2019, as included in this Prospectus, and will not be comparable with the financial statements/ financial information we prepare in accordance with Ind AS 116 for any future periods.

The adoption of Ind AS 116, had a material impact on our financial statements. The major impact on the consolidated financial statements for the years ended March 31, 2020 and March 31, 2021 and for the six months ended September 30, 2020 and September 30, 2021, were on finance costs, depreciation and amortization expenses, rent expenses, profit before tax, profit after tax, total comprehensive income, earnings per share, EBITDA and other

financial ratios. For further information on such impact, see “*Financial Statements – Note 30: Leases*” on page 264. The governmental and regulatory bodies in India may continue to notify such new accounting standards, regulations and/or policies. There can be no assurance that any such changes in accounting standards, regulations or policies would not lead to different accounting methods, which may have an adverse effect on our business, financial condition and results of operations.

48. *Our business may be adversely affected by changes in general macroeconomic and demographic factors in India.*

In Fiscal 2019, 2020 and 2021, and in the six months ended September 30, 2020 and September 30, 2021, we generated interest income of ₹ 31.68 million, ₹ 39.72 million, ₹ 53.07 million, ₹ 26.68 million and ₹ 38.77 million, respectively, that represented 1.39%, 1.82%, 6.28%, 6.06% and 6.92% of our profit before tax in such periods, respectively. Our business results are therefore dependent on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to consumer discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence, particularly in the cities and communities where our stores are located. Recessional economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, increased food prices, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and spending for footwear and lead to a decline in our interest income, sales and earnings. In particular, the outbreak of the COVID-19 pandemic has led to an economic downturn and a decrease in consumer discretionary spending in India and globally. The Indian economy’s GDP grew at a slower pace of 4.2% in Fiscal 2020. With implementation of nationwide lockdown on account of COVID-19, retail consumption took a hit and thus, overall retail grew at a slower pace of 7.5% in Fiscal 2020 (*Source: CRISIL Report*).

In addition, increases in petrol, diesel, natural gas, electricity and other energy costs, and increases in borrowing costs with rising interest rates, could also result in our customers having lower disposable income. Any significant decrease in our customer footfalls as a result of these or other factors could negatively impact our financial performance. Demographic factors, such as population concentrations in key metropolitan areas and cities where our stores are located, could also impact our brand awareness and customer footfalls in our stores. The retail industry may also be affected by industry-specific developments, such as changes in trends relating to growing infrastructure spending and investment in retail space that result from changes in national, regional and local economic conditions. In addition, the government has imposed and is expected to continue to impose the heightened restrictive measures in relation to sanitization of spaces and other related areas following the COVID-19 pandemic, and retailers are likely to incur higher operating costs to ensure compliance with any such measures in the future. Any adverse developments in relation to the retail industry in India as a result of these or other factors could also adversely impact our future growth prospects.

Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could increase our costs, reduce customer footfalls in some or all of our stores or impose pricing pressures, any of which could lower our profit margins and have a material adverse effect on our business, results of operations and financial condition.

49. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom’s exit from the European Union (“**Brexit**”), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

50. *The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemics and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

51. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

52. *If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect our financial statements.*

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act,

companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

Further, the Government of India has notified the Finance Act, 2021 (“**Finance Act**”) which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

53. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm’s length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, including with respect to eligible Bidders, please see “*Restrictions on Foreign Ownership of Indian Securities*” on page 387.

54. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India’s credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

55. *Investors may not be able to enforce a judgment of a foreign court against us.*

We are incorporated under the laws of India and all of our Directors and key management personnel reside in India. A majority of our assets, and the assets of certain of our Directors, key management personnel and other senior management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, such as United Kingdom, Singapore, Hong Kong and United Arab Emirates. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of Section 13 and Section 44A of the Civil Procedure Code, 1908 (the “CPC”). Further, the CPC only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a similar nature or in respect of a fine or other penalty. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India, whether or not predicated solely upon the general laws of the non-reciprocating territory, cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment in India and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment. As a result, the investor may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment.

56. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the maximum retail price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

57. *Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect our business, results of operations and financial condition.*

Adverse geopolitical conditions such as increased tensions between India and China resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and could affect our ability to procure raw materials and products from vendors operating in China. The occurrence of any event that may alter trade relations between the two countries may therefore significantly impact our business and financial condition. We could also be affected by the introduction of import tariffs in India, or in the countries to which we export our products, or changes in trade agreements between countries.

RISKS RELATING TO THE OFFER AND THE EQUITY SHARES

58. *The trading volume and market price of the Equity Shares may be volatile following the Issue.*

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

59. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under “Basis for Offer Price” on page 113 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Offer Price.

60. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

61. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the

applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

62. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue.*

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately six Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

63. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

64. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 387.

65. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Issue Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors'

decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

66. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

67. The requirements of being a publicly listed company may strain our resources.

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

68. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries).

If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA,

or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

69. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are “passive assets,” which generally means that they produce passive income or are held for the production of passive income.

Our Company believes it was not a PFIC for fiscal year ended March 31, 2021, and does not expect to be a PFIC for the current year or any future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company’s income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company’s PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares⁽¹⁾	27,350,100* Equity Shares, aggregating to ₹ 13,675.05 million
<i>of which:</i>	
Fresh Issue⁽¹⁾⁽⁶⁾	5,900,000* Equity Shares, aggregating to ₹ 2,950 million
Offer for Sale⁽²⁾	21,450,100 Equity Shares, aggregating to ₹ 10,725.05 million by the Selling Shareholders comprising an offer for sale of 13,015,000 Equity Shares aggregating to ₹ 6,507.50 million by the Promoter Selling Shareholders, 8,427,000 Equity Shares aggregating to ₹ 4,213.50 million by the Promoter Group Selling Shareholders and 8,100 Equity Shares aggregating to ₹ 4.05 million by the Other Selling Shareholder
The Offer comprises of:	
A) QIB Portion⁽³⁾⁽⁴⁾	Not more than 13,675,050* Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	8,205,030* Equity Shares
(ii) Net QIB Portion	5,470,020* Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	273,501* Equity Shares
(b) Balance for all QIBs including Mutual Funds	5,196,519* Equity Shares
B) Non-Institutional Portion	Not less than 4,102,515* Equity Shares
C) Retail Portion	Not less than 9,572,535* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Prospectus)	265,607,426 Equity Shares
Equity Shares outstanding after the Offer	271,507,426* Equity Shares
Use of Net Proceeds	See “ <i>Objects of the Offer</i> ” on page 103 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

*Subject to finalisation of the Basis of Allotment

- (1) The Offer has been authorized by a resolution of our Board dated March 25, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated March 30, 2021.
- (2) The Equity Shares offered by the Selling Shareholders are eligible for sale as part of the Offer in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders have, severally and not jointly, approved the transfer of their respective portion of the Offered Shares as set out below.

Name of the Selling Shareholder	Number of Offered Shares	Total shareholding of the Selling Shareholder as a percentage of total pre-Offer paid up Equity Share capital (%)	Date of consent	Date of authorisation
Aziza Malik Family Trust*	3,737,000	30.19	August 20, 2021	May 22, 2021
Rafique Malik Family Trust*	3,660,000	29.75	August 20, 2021	May 22, 2021
Farah Malik Bhanji	2,809,000	4.48	November 25, 2021	N.A.
Alisha Rafique Malik	2,809,000	2.99	November 25, 2021	N.A.
Zarah Rafique Malik	2,809,000	2.99	November 25, 2021	N.A.
Zia Malik Lalji	2,809,000	2.99	November 25, 2021	N.A.
Sabina Malik Hadi	2,809,000	2.99	November 25, 2021	N.A.
Rakesh Hridaynarayan Pathak	8,100	Negligible	June 29, 2021	June 29, 2021

Name of the Selling Shareholder	Number of Offered Shares	Total shareholding of the Selling Shareholder as a percentage of total pre-Offer paid up Equity Share capital (%)	Date of consent	Date of authorisation
Total	21,450,100	76.38		

**Acting through its trustees.*

For further details, see “Other Regulatory and Statutory Disclosures” on page 341.

- (3) *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds. 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds. For further details, see “Offer Procedure” on page 369.*
- (4) *Allocation to Bidders in all categories, except Anchor Investors, if any and Retail Individual Bidders, was made on a proportionate basis. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see “Offer Procedure” on page 369.*

For further details, including in relation to grounds for rejection of Bids, refer to “Offer Structure “and “Offer Procedure” on pages 366 and 369, respectively. For further details of the terms of the Offer, see “Terms of the Offer” on page 360.

SUMMARY OF FINANCIAL INFORMATION

Restated Consolidated Statement of Assets and Liabilities

(all amounts are in ₹ million, unless otherwise stated)

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS					
Non-current assets					
Property, plant and equipment	2,184.03	2,211.88	2,200.18	2,205.93	2,178.13
Capital work-in-progress	103.73	20.50	42.15	129.04	30.35
Right of use assets	5,263.34	4,503.68	4,996.02	4,824.95	3,702.36
Intangible assets	33.92	44.10	39.64	49.54	49.61
Intangible assets under development	3.60	-	3.29	1.30	10.31
Investment in Joint Venture	72.60	61.94	73.00	78.92	70.85
Financial assets	-	-	-	-	-
Other financial assets	463.54	379.33	432.85	392.21	359.62
Deferred tax assets (Net)	189.97	150.15	166.68	123.91	141.28
Non-current tax assets	108.90	24.59	31.15	23.61	1.14
Other non-current assets	32.85	18.84	29.42	28.06	19.87
Total non-current assets	8,456.48	7,415.01	8,014.38	7,857.47	6,563.52
Current assets					
Inventories	3,386.36	3,106.83	2,897.55	3,761.31	3,646.15
Financial assets					
(i) Investments	3,279.72	2,944.44	3,923.69	3,404.60	2,027.70
(ii) Trade receivables	695.72	701.17	505.51	701.28	519.27
(iii) Cash and cash equivalents	193.72	99.90	263.16	104.95	115.26
(iv) Bank Balances other than (iii) above	772.31	154.02	616.08	3.89	5.65
(v) Loans	16.61	12.89	18.79	19.15	13.74
(vi) Other financial assets	163.16	93.33	131.12	70.76	20.60
Other current assets	431.98	183.82	223.12	250.82	303.17
Total current assets	8,939.58	7,296.40	8,579.02	8,316.76	6,651.54
Total assets	17,396.06	14,711.41	16,593.40	16,174.23	13,215.06
EQUITY AND LIABILITIES					
Equity					
Equity share capital	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
Other equity	7,072.71	5,973.70	6,948.03	6,745.22	5,170.99
Equity attributable to the owners of the Company	8,400.38	7,301.37	8,275.70	8,072.89	6,498.66
Non-Controlling Interests	213.80	197.50	198.63	234.67	195.16
Total equity	8,614.18	7,498.87	8,474.33	8,307.56	6,693.82
Non-current liabilities					
Current liabilities					
Financial liabilities					
(i) Lease liabilities	5,157.64	4,347.73	4,886.46	4,580.31	3,476.79
(ii) Borrowings	-	-	-	-	0.08
Other financial liabilities	14.80	15.12	-	-	-
Provisions	6.88	7.00	6.35	5.57	5.84
Total non-current liabilities	5,179.32	4,369.85	4,892.81	4,585.88	3,482.71
Financial liabilities					
(i) Borrowings	9.27	74.65	14.06	115.23	98.56
(ii) Trade payables					

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
- Total Outstanding dues of Micro Enterprises and Small Enterprises	57.70	2.47	22.03	17.42	15.73
- Total Outstanding dues of other than Micro Enterprises and Small Enterprises	2,297.70	1,703.31	2,024.50	1,997.18	1,923.72
(iii) Lease liabilities	854.72	767.99	768.50	795.38	668.84
(iv) Other financial liabilities	142.13	144.52	144.55	186.54	133.00
Other Current liabilities	230.76	125.73	200.85	144.21	156.14
Provisions	10.28	24.02	8.37	24.83	24.69
Current tax liabilities (Net)	-	-	43.40	-	17.85
Total current liabilities	3,602.56	2,842.69	3,226.26	3,280.79	3,038.53
Total equity and liabilities	17,396.06	14,711.41	16,593.40	16,174.23	13,215.06

Restated Consolidated Statement of Profit and Loss

(all amounts are in ₹ million, unless otherwise stated)

Particulars	For the period ended September 30, 2021	For the period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations	4,560.02	1,765.44	8,000.57	12,851.62	12,170.65
Other Income	332.66	515.10	784.81	259.06	198.30
Total Income	4,892.68	2,280.54	8,785.38	13,110.68	12,368.95
Expenses					
(a) Purchases	2,448.86	226.04	2,741.02	5,821.79	6,339.39
(b) Changes in inventories of stock in trade	(488.81)	654.48	863.76	(115.16)	(852.05)
(c) Employee benefits expense	526.63	482.90	1,026.02	1,267.57	1,121.35
(d) Finance Cost	235.76	219.83	436.55	395.49	338.52
(e) Depreciation and Amortisation expense	651.49	618.83	1,218.44	1,206.05	936.46
(f) Other expenses	958.89	518.77	1,654.54	2,350.77	2,204.00
Total Expenses	4,332.82	2,720.85	7,940.33	10,926.51	10,087.67
Restated Profit before tax and before share of profit of a Joint Venture	559.86	(440.31)	845.05	2,184.17	2,281.28
Tax expense					
(a) Current tax	152.00	-	235.47	570.53	769.92
(b) Deferred tax	(23.13)	(26.04)	(42.59)	16.35	(0.65)
Total tax expense	128.87	(26.04)	192.88	586.88	769.27
Restated Profit after tax for the year and before share of profit of a Joint Venture	430.99	(414.27)	652.17	1,597.29	1,512.01
Share of (loss)/ profit of a Joint Venture	(0.25)	(16.88)	(5.98)	8.46	15.30
Restated Profit after tax for the year	430.74	(431.15)	646.19	1,605.75	1,527.31
Restated Other comprehensive income	7.43	20.76	18.46	6.41	(8.23)
(i) Items that will not be reclassified to profit or loss					
- Gain / (Loss) on Remeasurements of the defined benefit plans					
(i) Group	10.89	11.26	14.85	1.72	(6.18)
(ii) Share in Joint Venture	(0.15)	(0.10)	0.06	(0.12)	(0.06)
- Income tax relating to items that will not be reclassified to profit or loss	(2.74)	0.21	(3.74)	0.13	2.14
(ii) Items that will be reclassified to profit or loss					
- Gain / (Loss) arising on fair valuation of quoted investments in bonds	(0.57)	9.39	7.29	4.68	(4.13)

Particulars	For the period ended September 30, 2021	For the period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Restated Total comprehensive income for the year	438.17	(410.39)	664.65	1,612.16	1,519.08
Restated Profit for the year attributable to:					
- Owners of the Company	415.32	(394.29)	681.99	1,567.28	1,478.15
- Non-controlling interests	15.42	(36.86)	(35.80)	38.47	49.16
	430.74	(431.15)	646.19	1,605.75	1,527.31
Restated Other comprehensive income for the year attributable to:					
- Owners of the Company	7.68	21.07	18.71	5.37	(8.05)
- Non-controlling interests	(0.25)	(0.31)	(0.25)	1.04	(0.18)
	7.43	(20.76)	18.46	6.41	(8.23)
Restated Total comprehensive income for the year attributable to:					
- Owners of the Company	423.00	(373.22)	700.70	1,572.65	1,470.10
- Non-controlling interests	15.17	(37.17)	(36.05)	39.51	48.98
	438.17	(410.39)	664.65	1,612.16	1,519.08
Restated Earning per equity share (of ₹ 5 each)*:					
- Basic	1.62	(1.62)	2.43	6.05	5.75
- Diluted	1.62	(1.62)	2.43	6.05	5.75

* EPS is calculated post giving impact of Bonus issue during the year ended March 31, 2019 and split of shares during the year ended March 31, 2021.

Restated Consolidated Statement of Cash Flows

(all amounts are in ₹ million, unless otherwise stated)

Particulars	For the period ended September 30, 2021	For the period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from Operating Activities					
Restated Profit before tax for the year	559.86	(440.31)	845.05	2,184.17	2,281.28
Adjustments for:					
Finance Cost	1.05	4.91	6.25	7.74	-
Depreciation and Amortisation expense	651.49	618.83	1,218.44	1,206.05	936.46
Interest Expense	234.71	214.92	430.30	387.75	338.52
Rent Concession on account of COVID – 19	(200.65)	(369.42)	(518.84)	-	-
Net unrealised exchange loss/(gain)	-	-	0.01	2.21	(2.94)
Loss on Sale / Discard of Property Plant & Equipment (net)	9.20	14.26	25.80	25.34	12.79
Dividend income from Current Investments in Mutual Funds	-	(5.20)	(5.20)	(46.23)	(42.30)
Net Gain arising on Investments designated as FVTPL	(85.29)	(110.77)	(183.21)	(128.80)	(102.21)
Interest Income	(38.76)	(26.67)	(53.08)	(39.73)	(31.68)
Allowance for doubtful Trade receivables, advances and deposits	-	-	7.69	-	0.65
Liabilities no longer required, written back	-	-	(8.83)	(26.55)	(3.82)
Advances and other balances written off	0.92	1.25	7.04	10.16	7.80
Net Gain on derecognition of financial liability at amortized cost	-	(1.10)	(1.09)	-	-
Employee's Stock Options Expenses	0.41	-	-	-	0.03
Operating profit before working capital changes	1,132.94	(99.30)	1,770.33	3,582.11	3,394.58
Movement in working capital:					
Decrease/(Increase) in Trade Receivable	(190.21)	0.11	197.04	(192.16)	(134.12)
(Increase) in other financial assets	(55.87)	5.00	(35.12)	(93.67)	(74.69)
Decrease/(Increase) in other current assets	(203.22)	73.81	49.18	88.22	(101.04)

Particulars	For the period ended September 30, 2021	For the period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Decrease/(Increase) in Inventories	(488.81)	654.48	863.76	(115.16)	(852.06)
(Increase) in other non-current assets	(2.40)	(0.40)	(10.31)	(10.55)	(2.04)
(Decrease)/Increase in trade and other payables	303.04	(328.31)	(30.52)	73.50	512.16
Increase/(Decrease) in Other current liabilities	10.94	(18.48)	56.71	(11.99)	4.81
(Decrease)/Increase in Other financial liabilities	0.46	21.27	(3.88)	17.22	11.81
(Decrease)/Increase in Provisions	13.32	11.88	(0.83)	1.59	0.63
	(612.75)	419.36	1,086.03	(243.00)	(634.54)
Cash generated from operations	520.19	320.06	2,856.36	3,339.11	2,760.04
Less: Income taxes paid	(257.09)	(0.98)	(203.58)	(608.27)	(803.49)
Net cash generated from operating activities	263.10	319.08	2,652.78	2,730.84	1,956.55
Cash flows from investing activities					
Capital Expenditure on Property, Plant & Equipment including Capital Advances	(189.10)	(121.13)	(251.02)	(442.05)	(587.71)
Proceeds from Sale / Discard of Property, Plant & Equipment	3.94	13.18	3.54	2.10	3.82
Interest Received	23.27	10.56	18.77	12.20	11.20
Bank Balances (including Non-Current) not considered as Cash and Cash equivalents	(154.54)	(150.22)	(671.70)	(1.20)	(2.92)
Purchase of Current Investments	(939.95)	(1289.98)	(4,843.82)	(3,666.37)	(3,320.98)
Redemption of Current Investments	1,668.64	1870.31	4,515.23	2,422.94	3,180.82
Dividend Income from Mutual Funds	0	5.20	5.20	46.23	42.30
Net cash generated from / used in investing activities	412.26	337.92	(1,223.80)	(1,626.15)	(673.47)
Cash flow from financing activities					
Proceeds from issue of ESOP shares (including Securities Premium)	-	-	-	-	7.41
Proceeds from borrowings	(4.79)	(25.48)	(101.18)	16.59	38.71
Payment of Lease Liabilities	(440.23)	(233.36)	(665.46)	(1,123.85)	(913.27)
Finance Cost	(1.05)	(4.91)	(6.25)	(7.74)	(6.14)
Final and Interim Dividends including Dividend Tax paid	(298.73)	(398.30)	(497.88)	-	(446.35)
Net cash flow (used in) financing activities	(744.80)	(662.05)	(1,270.77)	(1,115.00)	(1,319.64)
Net increase/(decrease) in cash and cash equivalents	(69.44)	(5.05)	158.21	(10.31)	(36.56)
Cash and cash equivalents at the beginning	263.16	104.95	104.95	115.26	151.82
Cash and cash equivalents at the end of the year	193.72	99.90	263.16	104.95	115.26

GENERAL INFORMATION

Registered and Corporate Office

Metro Brands Limited

401, Zillion, 4th Floor
LBS Marg & CST Road Junction
Kurla (West), Mumbai- 400 070
Maharashtra, India

For changes in our Registered Office, see “*History and Certain Corporate Matters - Change in the Registered Office*” at page 181.

Corporate identity number and registration number

Corporate Identity Number: U19200MH1977PLC019449
Registration Number: 019449

Address of the RoC

Our Company is registered with the Registrar of Companies situated at the following address:

Registrar of Companies

100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Our Board

Our Board comprises the following Directors as on the date of filing of this Prospectus:

Name	Designation	DIN	Address
Rafique A. Malik	Chairman	00521563	1703 Vivarea, B Wing, 17 th Floor, Sane Guruji Marg, Mahalaxmi, Jacob Circle, Mumbai 400 011
Farah Malik Bhanji	Managing Director	00530676	2003 Vivarea, B Wing, 20 th Floor, Sane Guruji Marg, Mahalaxmi, Jacob Circle, Mumbai 400 011
Mohammed Iqbal Hasanally Dossani	Whole-time Director	08908594	604, Silver Cascade, Mount Mary Road, Bandra West, Mumbai – 400 050
Utpal Hemendra Sheth	Non – executive Director (Nominee director)	00081012	B 2901, 29th Floor, Beaumonde, Prabhadevi, Mumbai-400025
Manoj Kumar Maheshwari	Independent Director	00012341	B-47, Ahuja Towers, Rajabhau Anatdesai Marg, Prabhadevi, Mumbai – 400 025
Aruna Bhagwan Advani	Independent Director	00029256	Floor – 7, Plot 11 C and D, Rashmi Apartment, Byramji Gamadia Road, Off M L Dahanukar Marg, Cumballa Hill, Mumbai- 400026
Arvind Kumar Singhal	Independent Director	00709084	Apartment 605 – A, Magnolias, DLF Phase – V, DLF Golf Course Road, Gurgaon, Haryana - 122009
Vikas Vijaykumar Khemani	Independent Director	00065941	17/B, 17th Floor, Manek Great Eastern CHSL, L.D. Ruparel Marg, Malabar Hill, Mumbai – 400 037
Srikanth Velamakanni	Independent Director	01722758	3701, Tower C, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Mumbai – 400 063

For further details of our Directors, see “*Our Management*” on page 188.

Company Secretary and Compliance Officer

Tarannum Yasinhussein Bhanpurwala

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

Tel: +(91) 22 26547700

E-mail: investor.relations@metrobrands.com

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than RIBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of RIBs using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

Book Running Lead Managers

Axis Capital Limited

1st Floor, Axis House

C-2 Wadia International Centre

Pandurang Budhkar Marg

Mumbai 400 025

Maharashtra, India

Tel.: +(91) 22 4325 2183

E-mail: metro.ipo@axiscap.in

Investor grievance e-mail: complaints@axiscap.in

Website: www.axiscapital.co.in

Contact Person: Sagar Jatakiya

SEBI Registration No.: INM000012029

Ambit Private Limited

Ambit House,

449 Senapati Bapat Marg, Lower Parel,

Mumbai 400 013, Maharashtra, India

Tel: +(91) 22 6623 3000

E-mail: metrobrands.ipo@ambit.co

Website: www.ambit.co

Investor grievance e-mail: customerservicecmb@ambit.co

Contact person: Nikhil Bhiwapurkar

SEBI Registration No: INM000010585

DAM Capital Advisors Limited

(Formerly IDFC Securities Limited)

One BKC, Tower C, 15th Floor, Unit No. 1511,

Bandra Kurla Complex, Bandra (East),

Mumbai – 400 051

Maharashtra, India

Tel: +(91) 22 4202 2500

E-mail: metrobrands.ipo@damcapital.in

Website: www.damcapital.in

Investor grievance e-mail:

complaint@damcapital.in

Contact person: Gunjan Jain

SEBI Registration No: MB/INM000011336

Equirus Capital Private Limited

12th Floor, C Wing, Marathon Futurex,

N M Joshi Marg, Lower Parel,

Mumbai 400 013,

Maharashtra, India

Tel: +(91) 22 4332 0700

E-mail: metrobrands.ipo@equirus.com

Website: www.equirus.com

Investor grievance e-mail: investorsgrievance@equirus.com

Contact person: Mrinmayee Dethe

SEBI Registration No: INM000011286

ICICI Securities Limited

ICICI Venture House

Appasaheb Marathe Marg

Prabhadevi, Mumbai - 400 025

Maharashtra, India

Tel: +(91) 22 6807 7100

E-mail: metro.ipo@icicisecurities.com

Motilal Oswal Investment Advisors Limited

Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel ST Depot, Prabhadevi, Mumbai

Maharashtra – 400 025, India

Tel: +(91) 22 7193 4380

E-mail: metro.ipo@motilaloswal.com

Website: www.motilaloswalgroup.com

Investor grievance email:
customer@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Sameer Purohit/ Monank Mehta
SEBI Registration No.: INM000011179

Investor grievance e-mail: moiaplredressal@motilaloswal.com
Contact person: Subodh Mallya / Ritu Sharma
SEBI Registration No: INM000011005

Syndicate Members

Motilal Oswal Financial Services Limited
Address: Motilal Oswal Tower, Rahimtullah,
Sayani Road Opposite Parel ST Depot,
Prabhadevi
Mumbai 400 025, Maharashtra, India
Tel: +91 22 7193 4200 / +91 22 7193 4263
E-mail: ipo@motilaloswal.com;
santosh.patil@motilaloswal.com;
Website: http://www.motilaloswalgroup.com
Contact Person: Santosh Patil
SEBI Registration No: INZ000158836
CIN: L67190MH2005PLC153397

Sharekhan Limited
10th Floor, Beta Building
Lodha Ithink Techno Campus
Opp. Kanjurmarg Railway Station
Kanjurmarg (E), Mumbai 400 042
Tel: +91 22 6115 0000
E-mail: pravin@sharekhan.com
Investor Grievance E-mail:
myaccount@sharekhan.com/ipo@sharekhan.com
Website: www.sharekhan.com
Contact Person: Pravin Darji
SEBI Registration No: INB231073330/INB011073351
CIN: U99999MH1995PLC087498

Equirus Securities Private Limited
A – 2102 B, 21st Floor, A Wing,
Marathon Futurex, N.M. Joshi Marg,
Lower Parel, Mumbai – 400 013, Maharashtra
Tel: +91 70690 30851
E-mail: mahek.gandhi@equirus.com
Website: www.equirus.com
Contact Person: Mahek Gandhi
SEBI Registration No: INZ000251536
CIN: U65993MH2007PTC176044

Ambit Capital Private Limited
Ambit House, 449, Senapati Bapat Marg
Lower Parel, Mumbai – 400 013, Maharashtra
Tel: +91 22 6623 3000
E-mail: sanjay.shah@ambit.co
Website: www.ambit.co
Contact Person: Sanjay Shah
SEBI Registration No: INZ000259334
CIN: U7110MH1997PTC107598

Legal Counsel to our Company and the Promoter Selling Shareholders as to Indian law

Trilegal
Peninsula Business Park
17th Floor, Tower B,
Ganpat Rao Kadam Marg,
Lower Parel (West),
Mumbai 400 013
Tel: +(91) 22 4079 1000

Legal Counsel to the BRLMs as to Indian law

Khaitan & Co
10th & 13th Floor, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai 400 013
Tel: +(91) 22 6636 5000

International Legal Counsel to the BRLMs

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321
Telephone: +65 6538 0900

Statutory Auditors to our Company

Deloitte Haskins & Sells

19th Floor, Shapath-V,
B/s Crowne Plaza Hotel,
Opp. Karnavati Club, S G Highway,
Ahmedabad - 380015
Email: kvora@deloitte.com
Tel: +91 (22) 6185 4000
Firm registration number: 117365W
Peer review number: 012965

Changes in the auditors

There has been no change in the statutory auditors of the Company in the last three years preceding the date of this Prospectus.

Registrar to the Offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra, India
Tel: +(91) 22 4918 6200
E-mail: metrobrands.ipo@linkintime.co.in
Investor grievance E-mail: metrobrands.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker(s) to the Offer

Escrow Collection Bank, Public Offer Bank, Refund Bank Sponsor Bank and Monitoring Agency

ICICI Bank Limited

Capital Market Division, 1st Floor
122, Mistry Bhavan, Dinshaw Vachha road
Backbay Reclamation, Churchgate
Mumbai – 400 020, Maharashtra, India
Tel No: +(91) 22 66818911 /23/24
Website: www.icicibank.com
Contact Person: Mr. Sagar Welekar
Email: sagar.welekar@icicibank.com

Banker(s) to our Company

RBL Bank Limited

6th Floor, One World Center, Tower 2B,
841, Senapati Bapat Marg, Lower Parel (West)
Mumbai – 400 013 Maharashtra, India
Tel No: +(91) 22 43020653
Website: www.rblbank.com
Contact Person: Amit N. Shah
Email: amit.shah2@rblbank.com
CIN: L65191PN1943PLC007308

ICICI Bank Limited

ICICI Bank Towers
Bandra Kurla Complex, Mumbai – 400 051
Maharashtra, India
Tel No: +(91) 22 6696 6345; +(91) 90499 99498
Website: www.icicibank.com
Contact Person: Prabhat Singh
Email: prabhat.s@icicibank.com
CIN: L65190GJ1994PLC021012

HDFC Bank Limited

Regal Cinema Building, Shahid Bhagat Singh Road,
Colaba, Mumbai 400039,
Maharashtra, India
Tel No: + (91) 22 22871654

Website: www.hdfcbank.com
Contact Person: Seema Shah
Email: seema.shah@hdfcbank.com
CIN: L65920MH1994PLC080618

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> as updated from time to time or any other website prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/> and <https://www.nseindia.com/>, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and <https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm>, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 15, 2021 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated November 10, 2021 relating to the Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated December 15, 2021 in this Prospectus; and such consent has not been withdrawn as on the date of this Prospectus. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated November 26, 2021, from Rajiv Parekh, Architect, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, in respect of the proposal issued, and such consent has not been withdrawn as on the date of this Prospectus.

Monitoring Agency

Our Company has appointed ICICI Bank Limited as the monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 103.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency.

Statement of Responsibility of the BRLMs

Sr. No	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	All BRLMs	Axis
2.	Drafting and approval of all statutory advertisement	All BRLMs	Axis
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	All BRLMs	DAM
4.	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements.	All BRLMs	Axis
5.	Appointment of all other intermediaries and including co-ordination for all other agreements	All BRLMs	I-Sec
6.	Preparation of road show presentation	All BRLMs	Ambit
7.	Preparation of FAQs for the road show team	All BRLMs	Motilal Oswal
8.	International institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules 	All BRLMs	Ambit
9.	Domestic institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules 	All BRLMs	Axis
10.	Conduct retail and non-institutional marketing of the Offer, which will cover, inter-alia: <ul style="list-style-type: none"> • Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Finalising commission structure • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material 	All BRLMs	Motilal Oswal
11.	Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation, book building software, bidding terminals	All BRLMs	DAM

Sr. No	Activity	Responsibility	Co-ordinator
	and mock trading, payment of 1% security deposit to the designated stock exchange.		
12.	Managing the book and finalization of pricing in consultation with the Company.	All BRLMs	Motilal Oswal
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds of application monies and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI	All BRLMs	I-Sec

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing

A copy of the Draft Red Herring Prospectus was filed through the SEBI Intermediary Portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and emailed to SEBI at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure –Division of Issues and Listing –CFD.”

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, was filed with the RoC in accordance with Section 32 of the Companies Act and a copy of this Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC situated at Registrar of Companies, Maharashtra at Mumbai, and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Book Building Process

Book building, in the context of the Offer, referred to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band, which was decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs. The Offer Price was determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see “Offer Procedure” on page 369.

All Bidders, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount was blocked by SCSBs. In addition to this, the RIBs could participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount were blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion could revise their Bids during the Bid/Offer Period and could withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors could not withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs and the Anchor Investors, Allocation in the Offer would be on a proportionate basis. Allocation to the Anchor Investors was on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after this Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, see “Offer Structure” and “Offer Procedure” on pages 366 and 369, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Terms of the Offer” and “Offer Procedure” on pages 360 and 369, respectively.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated December 15, 2021. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India Tel: +91 22 4325 2183 E-mail: metro.ipo@axiscap.in	4,558,350	2,279.17
Ambit Private Limited Ambit House, 449 Senapati Bapat Marg, Lower Parel, Mumbai 400 013, Maharashtra, India Tel: +(91) 22 6623 3000 E-mail: metrobrands.ipo@ambit.co	4,558,250	2,279.13
Ambit Capital Private Limited Ambit House, 449, Senapati Bapat Marg Lower Parel, Mumbai – 400 013, Maharashtra Tel: +91 22 6623 3000 E-mail: sanjay.shah@ambit.co	100	0.05
DAM Capital Advisors Limited (Formerly IDFC Securities Limited) One BKC, Tower C, 15th Floor	4,558,250	2,279.13

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
Unit No. 1511, Bandra Kurla Complex Bandra (East), Mumbai – 400 051. Telephone: +91 22 4202 2500 E-mail: metrobrands.ipo@damcapital.in		
Sharekhan Limited 10th Floor, Beta Building Lodha Ithink Techno Campus Opp. Kanjurmarg Railway Station Kanjurmarg (E), Mumbai 400 042 Tel: +91 22 6115 0000 E-mail: pravin@sharekhan.com	100	0.05
Equirus Capital Private Limited 12th Floor, C Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai 400 013 Maharashtra, India Tel: +(91) 22 4332 0700 E-mail: metrobrands.ipo@equirus.com	4,558,250	2,279.13
Equirus Securities Private Limited A – 2102 B, 21st Floor, A Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai – 400 013, Maharashtra Tel: +91 70690 30851 E-mail: mahek.gandhi@equirus.com	100	0.05
ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai- 400 025 Maharashtra, India Tel: +91 22 6807 7100 E-mail: metro.ipo@icicisecurities.com	4,558,350	2,279.17
Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai Maharashtra – 400 025, India Tel: +(91) 22 7193 4380 E-mail: metro.ipo@motilaloswal.com	4,558,250	2,279.12
Motilal Oswal Financial Services Limited Motilal Oswal Tower, Rahimtullah, Sayani Road Opposite Parel ST Depot, Prabhadevi Mumbai 400 025, Maharashtra, India Tel: +91 22 7193 4200 / +91 22 7193 4263 E-mail: ipo@motilaloswal.com ; santosh.patil@motilaloswal.com	100	0.05

The above-mentioned is indicative underwriting and will be finalised after determination of Offer Price and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board has at its meeting accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below.

(in ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price ⁽¹⁾
A	AUTHORIZED SHARE CAPITAL		
	300,000,000 Equity Shares of face value ₹5 each	1,500,000,000	-
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	265,607,426 Equity Shares of face value ₹5 each	1,328,037,130	-
C	PRESENT OFFER		
	Offer of 27,350,100* Equity Shares of face value ₹5 each ⁽¹⁾	136,750,500	13,675,050,000
	<i>Of which</i>		
	Fresh Issue of 5,900,000* Equity Shares of face value ₹5 each aggregating to ₹ 2,950 million ⁽⁴⁾	29,500,000	2950,000,000
	Offer for Sale of 21,450,100* Equity Shares of face value ₹5 each aggregating to ₹ 10,725.05 million	107,250,500	10,725,050,000
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	271,507,426 Equity Shares of face value ₹5 each	1,357,537,130	-
E	SHARE PREMIUM ACCOUNT		
	Before the Offer		40,298,846.87
	After the Offer		2,960,798,846.87

**Subject to the finalisation of Basis of Allotment*

⁽¹⁾ The Offer has been authorised by our Board pursuant to its resolution dated March 25, 2021 and by our Shareholders pursuant to their resolution dated March 30, 2021.

⁽²⁾ Each of the Selling Shareholders confirms that the Equity Shares offered by it are eligible for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see “Other Regulatory and Statutory Disclosures” on page 341.

For details of changes to our Company’s authorised share capital in the last 10 years, please see “History and Certain Corporate Matters” on page 181.

Notes to the Capital Structure

1. Share capital history of our Company:

(a) Equity Share capital

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)
February 22, 1977	20	100	100	Cash	Subscription to the MOA ⁽¹⁾	20	2,000
Between January 1, 1979 and December 31, 1979*	20	100	100	Cash	Further issuance	40	4,000
December 15, 1986*	4,960	100	100	Cash	Further issuance	5,000	500,000
August 31, 1987	5,000	100	100	Cash	Further issuance ⁽²⁾	10,000	1,000,000

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)
October 10, 1988*	10,000	100	100	Cash	Further issuance	20,000	2,000,000
March 16, 1992	10,000	100	100	Cash	Further issuance ⁽³⁾	30,000	3000000
August 24, 1992	10,000	100	100	Cash	Rights issue in the ratio of one equity share for every three equity shares held ⁽⁴⁾	40,000	4,000,000
March 3, 1995	9,900	100	100	Cash	Further issuance ⁽⁵⁾	49,900	4,990,000
Pursuant to a Board resolution dated November 30, 2004 and a Shareholders' resolution dated December 29, 2004, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued and subscribed equity share capital of our Company comprising 49,900 equity shares of face value of ₹ 100 each was sub-divided into 499,000 equity shares of face value of ₹ 10 each.							
January 4, 2005	998,000	10	-	N.A	Bonus issue ⁽⁶⁾	1,497,000	14,970,000
March 14, 2007	121,400	10	1300	Cash	Further issuance ⁽⁷⁾	1,618,400	16,184,000
September 5, 2007	7,665	10	1300	Cash	Further issuance ^{(8)#}	1,626,065	16,260,650
September 5, 2007	2,935	10	1200	Cash	Further issuance ^{(9)#}	1,629,000	16,290,000
December 23, 2008	3,258,000	10	-	N.A	Bonus issue ^{(10)#}	4,887,000	48,870,000
January 4, 2012	11,025	10	325	Cash	Pursuant to ESOP 2008 ⁽¹¹⁾	4,898,025	48,980,250
September 29, 2012	10	10	975	Cash	Pursuant to ESOP 2008 ⁽¹²⁾	4,898,035	48,980,350
September 29, 2012	5,540	10	325	Cash	Pursuant to ESOP 2008 ⁽¹³⁾	4,903,575	49,035,750
November 22, 2012	9,807,150	10	-	N.A	Bonus issue ⁽¹⁴⁾	14,710,725	147,107,250
January 2, 2014	8,400	10	108.33	Cash	Pursuant to ESOP 2008 ⁽¹⁵⁾	14,719,125	147,191,250
January 2, 2014	1,330	10	325	Cash	Pursuant to ESOP 2008 ⁽¹⁶⁾	14,720,455	147,204,550
June 26, 2015	3,625	10	108.33	Cash	Pursuant to ESOP 2008 ⁽¹⁷⁾	14,724,080	147,240,800
June 26, 2015	2,950	10	325	Cash	Pursuant to ESOP 2008 ⁽¹⁸⁾	14,727,030	147,270,300
June 26, 2015	500	10	525	Cash	Pursuant to ESOP 2008 ⁽¹⁹⁾	14,727,530	147,275,300
August 6, 2018	8,185	10	108.33	Cash	Pursuant to ESOP 2008 ⁽²⁰⁾	14,735,715	147,357,150
August 6, 2018	675	10	325	Cash	Pursuant to ESOP 2008 ⁽²¹⁾	14,736,390	147,363,900
August 6, 2018	2,875	10	525	Cash	Pursuant to ESOP 2008 ⁽²²⁾	14,739,265	147,392,650
September 5, 2018	1,000	10	325	Cash	Pursuant to ESOP 2008 ⁽²³⁾	14,740,265	147,402,650
September 5, 2018	3,600	10	525	Cash	Pursuant to ESOP 2008 ⁽²⁴⁾	14,743,865	147,438,650
October 1, 2018	5,375	10	325	Cash	Pursuant to ESOP 2008 ⁽²⁵⁾	14,749,240	147,492,400
October 1, 2018	1,000	10	108.33	Cash	Pursuant to ESOP 2008 ⁽²⁶⁾	14,750,240	147,502,400
December 12, 2018	118,001,920	10	-	N.A	Bonus issue ⁽²⁷⁾	132,752,160	1,327,521,600
March 6, 2019	8,100	10	58.33	Cash	Pursuant to ESOP 2008 ⁽²⁸⁾	132,760,260	1,327,602,600

Date of allotment	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment	Cumulative no. of equity shares	Cumulative paid-up equity share capital (in ₹)
March 6, 2019	6,885	10	36.11	Cash	Pursuant to ESOP 2008 ⁽²⁹⁾	132,767,145	1,327,671,450
Pursuant to Board resolution dated March 25, 2021 and Shareholders' resolution dated March 30, 2021, equity shares of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, the issued and subscribed share capital of our Company comprising 13,27,67,145 equity shares of face value of ₹ 10 each was sub-divided into 265,534,290 equity shares of face value of ₹ 5 each.							
November 3, 2021	73,136	5	450	Cash	Private placement ⁽³⁰⁾	265,607,426	1,328,037,130

These equity shares were allotted to 118 allottees in violation of applicable provisions of the Companies Act, 1956, including Sections 56, 60, 60B, 64, 67 (3), 68B, 72, 73 (1), and 73 (2). The amount raised pursuant to these allotments was ₹ 13.49 million. The aforesaid violations were compounded pursuant to an order dated August 13, 2019 issued by NCLT, Mumbai. Holders of (a) equity shares allotted pursuant to these allotments ("Stated Shares") and/ or (b) equity shares allotted pursuant to any corporate action on the Stated Shares (such as split of the face value of the Stated Shares or bonus issuances on the Stated Shares) were provided an exit opportunity in accordance with the process as set forth in the SEBI circulars - CIR/CFD/DIL3/18/2015 and CFD/DIL3/CIR/P/2016/53 dated December 31, 2015 and May 3, 2016 respectively ("SEBI Circulars").

The Company obtained certification from an independent peer-reviewed chartered accountant confirming compliance and completion of the exit offer as per the SEBI Circulars. Subsequently, a suo motu petition was filed by the Company and the violations were compounded pursuant to an order dated August 13, 2019 issued by NCLT, Mumbai. Vide order dated August 13, 2019, the NCLT imposed a penalty of ₹ 2 million on the Company and ₹ 0.10 million on each of Rafique Abdul Malik, Farah Malik Bhanji and Aziza Rafique Malik, the whole-time directors at the time. SEBI, in its letter dated August 19, 2019, took the compounding on record and advised the Company to be cautious in future to avoid regulatory action. There are no continued violations at present and there are no investor complaints pending regarding the allotment of the Stated Shares. For further details, please see "Risk Factors - If we are unable to establish and maintain an effective system of internal controls and compliances our business and reputation could be adversely affected" on page 48.

*We have been unable to trace the complete set of corporate resolutions filings, and other records, in relation to changes in our issued, subscribed and paid up share capital. Accordingly, disclosures in relation to certain changes in our issued, subscribed and paid up share capital have been made in reliance of (i) our audited balance sheets comprised in our annual reports, share certificates, and (ii) certificate dated August 19, 2021 from Shweta R. Parwani, Practicing Company Secretary. Please also see "Risk Factors – Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable" on page 44.

- (1) 10 equity shares of face value ₹100 each were allotted to Rafique A. Malik and Ramchandra Bandu Mane pursuant to initial subscription to the MoA.
- (2) List of allottees who were allotted equity shares of face value ₹100 each is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Abdul Malik Tejani	1,000
2.	Malek Sultan Abdul Malik Tejani	500
3.	Rafique A. Malik	1,000
4.	Aziza R. Malik	760
5.	Rafique A. Malik and Aziza R. Malik as natural guardians of Sabina Malik Hadi	475
6.	Rafique A. Malik and Aziza R. Malik as natural guardians of Farah Malik Bhanji	15
7.	Abdul Rahim Ismail Merchant	250
8.	Habiba Abdul Rahim Merchant	1,000

- (3) List of allottees who were allotted equity shares of face value ₹ 100 each is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Rafique A. Malik and Aziza R. Malik as natural guardians of Zarah Malik	2,000
2.	Rafique A. Malik and Aziza R. Malik as natural guardians of Farah Malik Bhanji	2,000
3.	Rafique A. Malik and Aziza R. Malik as natural guardians of Zia Malik	2,000

Sr. No.	Name of the allottee	Number of equity shares allotted
4.	Rafique A. Malik and Aziza R. Malik as natural guardians of Sabina Malik Hadi	2,000
5.	Rafique A. Malik and Aziza R. Malik as natural guardians of Alisha Malik	2,000

(4) List of allottees who were allotted equity shares of face value ₹ 100 each is as follows

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Rafique A. Malik	5,000
2.	Abdul Malik Tejani	2,500
3.	Aziza R. Malik	1,500
4.	Rafique A. Malik and Aziza R. Malik as natural guardians of Sabina Malik Hadi	350
5.	Rafique A. Malik and Aziza R. Malik as natural guardians of Farah Malik Bhanji	650

(5) List of allottees who were allotted equity shares of face value ₹ 100 each is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Abdul Malik Tejani	5,000
2.	Malek Sultan Tejani	750
3.	Aziza R. Malik	800
4.	Zarah Malik	2,500
5.	Rafique A. Malik and Aziza R. Malik as natural guardians of Farah Malik Bhanji	800
6.	Rukshana K. Javeri	50

(6) Existing shareholders of the Company as on December 29, 2004 were allotted equity shares in the ratio of 2:1 equity shares pursuant to the bonus issue.

(7) 121,400 Equity Shares were allotted to Rekha Rakesh Jhunjunwala pursuant to the SSHA. For more details, please see "History and other Corporate Matters" on page 181.

(8) List of allottees who were allotted Equity Shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	T Neelima	75
2.	Bhanumurthy Tirumalasetty	75
3.	Suleiman Sadruddin Bhanji	150
4.	Zubin Adi Master	150
5.	Ruby Ram Khanna	150
6.	Rohan Batra	75
7.	Rajiv Wallia	75
8.	Mumtaz Jaffer	150
9.	Amirali Jaffer	75
10.	Mohsin Amir Jaffer	75
11.	Amirali H. Jetha	150
12.	Suraiya Akbarali Jetha	150
13.	Shahnawaz N. Kheraj	150
14.	Nazmuddin Gulamhusein Kheraj	150
15.	Pankaj Vithaldas Lakhani	150
16.	Dilip Vithaldas Lakhani	38
17.	Hema Dilip Lakhani	37
18.	Kajal Dilip Lakhani	38
19.	Dilip V. Lakhani (HUF)	37
20.	Husainali A Merchant	50
21.	Sultanali A Merchant	100
22.	Noorali Rajabali	50
23.	Rukshana Noorali	100
24.	Jalaludin Jafferli Kamdar	150
25.	Naheed S. Contractor	150
26.	Shirin S. Contractor	150
27.	Sajid Abdulla Pancha	38
28.	Munira Sajid Pancha	37

Sr. No.	Name of the allottee	Number of equity shares allotted
29.	Abdulla Fakhruddin Pancha	38
30.	Bilkis Abdulla Pancha	37
31.	Noaman Razack	750
32.	Sujjat M Rajani	150
33.	Rashida M Rajani	150
34.	Amyr M Rajani	150
35.	Sekar A	10
36.	Chitra Sekar	10
37.	Kazi Iqbal	75
38.	Shabnam Mohd Idrish Kazi	75
39.	Hitesh Chimanlal Thakker (HUF)	80
40.	Alpa Chimanlal Thakker	70
41.	Kumar J. Kotian	50
42.	Ramesh S. Bulchandani	50
43.	Sangieve S. Bulchandani	50
44.	Naraindas K. Navani	150
45.	Sunil Jethalal Shah	150
46.	Yogesh Santosh Patki	20
47.	Ila Ashok Parekh	150
48.	Ami Kanuga	150
49.	Mumtaz Kazi	10
50.	Sanjeev Shrikant Niphadkar	20
51.	Mohsin Kassmali Kanjee	150
52.	Surinder Paul	150
53.	Ashok Motiram Jony	150
54.	Mohammed Yakub Khan	150
55.	Mahrugh Zarir Kerawala	25
56.	Geetha Amarchand	100
57.	Meena Feroz Siddique	100
58.	Urvashi Dhirubhai Shah	150
59.	Asha Ullagaddi	150
60.	Sachin Sialal Aggarwal	150
61.	Jayant M. Badani	150
62.	Heeraben Lalji Savla	150
63.	Atul Karsandas Jasani	20
64.	Mumtazali H. Sayani	150
65.	Ramzanali I. Merchant	150
66.	Vasantraai H. Vajani	600

(9) List of allottees who were allotted Equity Shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Ajay Keshav Hasbe	20
2.	Anil Yashvant Salvi	15
3.	Anupama Dinesh Pujari	20
4.	Bala Pandit Ahire	50
5.	Bina Rajkumar Gupte	10
6.	Champa V. Bharatwaj	150
7.	Dattatray Kisan Awate	50
8.	Dayanand W. Wakale	20
9.	Dhananjay Ramakant Shintre	10
10.	Dinesh Rajaram Chaskar	10
11.	Dora Elliam Mascarenhas	50
12.	Jaiprakash Janardan Desai	150
13.	Jalaludin Jaffarali Kamdar	150
14.	K K Janardanan	15
15.	Ketan Arun Kothari	100
16.	Khalid Abdul Majid	150
17.	Laxman Shankar Gurav	10
18.	Mahadev Krishna Dhuri	10
19.	Mahesh Brijgopal Goud	150
20.	Mehdi Abdulmalek Sumar	150
21.	Minhaz Husainali Bhavnagari	25
22.	Mohan Vithal Hagawane	75

Sr. No.	Name of the allottee	Number of equity shares allotted
23.	More Hemant Mohan	20
24.	Michael Gregore Barboza	50
25.	Munawarali Husainali Bhavnagri	50
26.	Nilesh Ratnakar Awate	10
27.	Nisha P. Vaswani	15
28.	Pramod Ramchandra Shrimal	100
29.	Premnath B. Satsangi	150
30.	Rajesh Dinanath Batwalkar	50
31.	Rajesh Ganpat Awate	20
32.	Rakesh Hridaynarayan Pathak	50
33.	Ram Manohar Salodkar	10
34.	Ramakant Krishna Naigaonkar	25
35.	Salim Amirali Lakhani	100
36.	Sandeep Ramchandra Satam	100
37.	Sandeep Tukaram Shelatkar	100
38.	Sangeeta Sanjay Ghodke	10
39.	Sanjay Mahadev Masaye	10
40.	Sanjay N. Ghosal	15
41.	Santosh Balkrushna Parvate	10
42.	Shailesh Vasant Tambde	20
43.	Shivdas Bajirao Thorat	25
44.	Shivshankar Vasant Vayakar	10
45.	Sohel Jalaludin Kamdar	150
46.	Subhash H. Malik	50
47.	Subhash Krishna Rao	50
48.	Sultanali Mohamedbhai Khoja	150
49.	Sunil Vasntrao Kale	25
50.	Tajdin Mohamedali Gilani	150
51.	Vanessa Anne Borges	10
52.	Vasant Padmshi Shah	10

(10) Existing shareholders of the Company as on October 31, 2008 were allotted equity shares in the ratio of 2:1 equity shares pursuant to the bonus issue.

(11) List of allottees who were allotted Equity Shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Jalaludin Jafferli Kamdar	3,000
2.	Sohel Jalaludin Kamdar	3,000
3.	Jaiprakash Janardan Desai	3,000
4.	Premnath Batukath Satsangi	900
5.	Mehdi Sumar	900
6.	Ketan Arun Kothari	225

(12) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Rakesh Banarasi Singh	10

(13) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Jalaludin Jafferli Kamdar	750
2.	Sohel Jalaludin Kamdar	750
3.	Jaiprakash Janardan Desai	750
4.	Mehdi Sumar	225
5.	Ketan Arun Kothari	225
6.	Premnath Baluknath Satsangi	225
7.	Prashant Praful Shah	1,500
8.	Subash Krishna Rao	500
9.	Mahesh Brijgopal Goud	155
10.	Lavina Rodrigues Pinto	460

(14) Existing shareholders of the Company as on October 15, 2012 were allotted equity shares in the ratio of 2:1 equity shares pursuant to the bonus issue.

(15) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Ketan Arun Kothari	1,200
2.	Tajdin Mohamedali Gilani	3,000
3.	Subash Krishna Rao	3,000
4.	Rajesh Ganpat Awate	1,200

(16) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Altaf Masamali Makani	1,250
2.	Rakesh Banarasi Singh	80

(17) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Ketan Arun Kothari	825
2.	Subhash H. Malik	1,000
3.	Rajesh Ganpat Awate	1,800

(18) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Altaf Masamali Makani	1,450
2.	Rakesh Banarasi Singh	1,500

(19) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Dattatray Awate	500

(20) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Mahesh Brijgopal Goud	2,910
2.	Subhash H. Malik	1,150
3.	Rajesh Ganpat Awate	375
4.	T M Gilani	3,750

(21) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Altaf Masamali Makani	675

(22) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Dattatray K. Awate	2,875

(23) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Rakesh Singh	1,000

(24) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Kaushal K Parekh	3,600

(25) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Sunildatt Sheshmani Pandey	3,375

Sr. No.	Name of the allottee	Number of equity shares allotted
2.	Pramod Parshuram Sutar	2,000

(26) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Subhash H Malik	1,000

(27) Existing shareholders of the Company as on December 12, 2018 were allotted Equity Shares in the ratio of 8:1 equity shares pursuant to the bonus issue.

(28) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Kaushal K. Parekh	8,100

(29) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Rakesh Singh	6,885

(30) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Salim A Lakhani	1,500
2.	Sikander Ali Mohammed Ali Syed	5,000
3.	Amir Ali Umedali Hamid	3,000
4.	Anwer Ali Sayani	5,000
5.	Jai Raj Kapoor	1,500
6.	Soheebhai Abbasbhai Arsiwala	1,500
7.	Munawar Ali Bhavnagari	1,000
8.	Shahid Inam Shaikh	2,400
9.	Mohamedafzal Ibrahim Mitha	800
10.	Altaf Namdar	1,200
11.	Zahir Hussainali Virani	2,400
12.	Yazin Mohammedali Zharania	2,400
13.	Imran Sultan Premani	4,200
14.	Mohmed Husein Fida Huseibn Moledina	1,000
15.	Minhaz H Bhavnagari	875
16.	Mukhtar Shaikh	500
17.	Salim B Hirani	100
18.	Sarfraz Shanawaz Shah	1,000
19.	Turk Fakir Mohammed	866
20.	Prateek Chaturvedi	600
21.	Mohammad Sajid	850
22.	Jenson K Johny	200
23.	Vasi Sharafat Haider Sayyed	850
24.	Deepak Veetoba Modsingh	850
25.	Saeed Ali Patel	300
26.	Krishna Padama Nair	1,500
27.	Paras Sharma	200
28.	Shaikh Mohammed Kibriya	200
29.	Nisar Abdullah Sayed	850
30.	Al Amin Gulam Hussen Khoja	200
31.	Sayad Shahid Johar	850
32.	Zaigham Ali Ansari	850
33.	Rashid Raunaq Ali	850
34.	Mohd Aon Shaikh	750
35.	Guru Dayal Kumawat	850
36.	Malek Riyazmiya Habibmiya	850
37.	Asif Memon	500
38.	Jitu Adwani	850
39.	Mohd Ifraque Khan	850
40.	Khaisar Roshan	850
41.	Hardeep Singh	220

<i>Sr. No.</i>	<i>Name of the allottee</i>	<i>Number of equity shares allotted</i>
42.	<i>Shafi Shamsuddin Shaikh</i>	850
43.	<i>Anwar Babu Shaikh</i>	555
44.	<i>Arif Syed Mohammed Naqvi</i>	500
45.	<i>Vineet Kumar</i>	50
46.	<i>Jivani Shazil Salim</i>	500
47.	<i>Vivek Singh</i>	500
48.	<i>Tauqeer Alam Ansari</i>	500
49.	<i>Prakash Haldar</i>	300
50.	<i>Rahim P Makani</i>	750
51.	<i>Vinayak Shankar More</i>	750
52.	<i>Fayaz S Shah</i>	750
53.	<i>Syednasir S M Naqvi</i>	515
54.	<i>Altafbhai A Ajmeri</i>	500
55.	<i>Amin K Bharmal</i>	500
56.	<i>Mehmood Khan</i>	60
57.	<i>Imran Sharif</i>	251
58.	<i>Kirit V Zala</i>	750
59.	<i>Haroon Mansuriey</i>	750
60.	<i>Yunus Y. Khan</i>	100
61.	<i>Amol V More</i>	130
62.	<i>Naresh Chand</i>	500
63.	<i>Mohammed Imran</i>	500
64.	<i>Lachhi Singh</i>	500
65.	<i>Rakesh Kumar</i>	100
66.	<i>Irfan Memon</i>	750
67.	<i>Mohd Abdul Rafeeq</i>	750
68.	<i>Ahmedali Amirali</i>	200
69.	<i>Praveen Thakr</i>	750
70.	<i>Praful.Murji.Patel</i>	100
71.	<i>Faizul Hasan Arfi</i>	750
72.	<i>Sachin Digambar Haldankar</i>	110
73.	<i>Mahesh Chander Saini</i>	100
74.	<i>K Sunil</i>	60
75.	<i>Joginder Singh</i>	300
76.	<i>Pankaj Kumar Gupta</i>	750
77.	<i>Bana Amin Ali Mohammed H</i>	600
78.	<i>Sohan Singh</i>	200
79.	<i>Mohammed Saeed Sm Naqvi</i>	315
80.	<i>Vikram Thakur</i>	100
81.	<i>Dadasaheb Vithoba Chavan</i>	500
82.	<i>Wahid Khan</i>	499
83.	<i>Harish Tiwari</i>	500
84.	<i>Md Javed Md Shamsuddin Ansari</i>	230
85.	<i>Hans Raj</i>	200
86.	<i>Sudesh Kumar Chaudhary</i>	500
87.	<i>Birendra Kumar Singh</i>	500
88.	<i>Nigar Mohammed Arif</i>	500
89.	<i>Ibrahim Husaif</i>	500
90.	<i>Uday Kumar</i>	100
91.	<i>Sudhir Rawat</i>	200
92.	<i>Shabbar Sayeed</i>	500
93.	<i>Anwer P Z</i>	200
94.	<i>Raza Abbas Namdar</i>	100

(b) Preference Share capital

Our Company does not have any preference share capital as on the date of this Prospectus.

- Our Company has not issued any equity shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.
- Our Company has not issued or allotted any equity shares pursuant to schemes of arrangement approved under Sections 391 -394 of the *erstwhile* Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

4. Except as disclosed below, our Company has not issued any equity shares at a price that is lower than the Offer Price during a period of one year preceding the date of this Prospectus:

Date allotment	of	Number of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reasons/nature of allotment
November 2021	3,	73,136	5	450	Cash	Private placement ⁽¹⁾

- (1) List of allottees who were allotted equity shares is as follows:

Sr. No.	Name of the allottee	Number of equity shares allotted
1.	Salim A Lakhani	1,500
2.	Sikander Ali Mohammed Ali Syed	5,000
3.	Amir Ali Umedali Hamid	3,000
4.	Anwer Ali Sayani	5,000
5.	Jai Raj Kapoor	1,500
6.	Soheebhai Abbasbhai Arsiwala	1,500
7.	Munawar Ali Bhavnagari	1,000
8.	Shahid Inam Shaikh	2,400
9.	Mohamedafzal Ibrahim Mitha	800
10.	Altaf Namdar	1,200
11.	Zahir Hussainali Virani	2,400
12.	Yazin Mohammedali Zharania	2,400
13.	Imran Sultan Premani	4,200
14.	Mohmed Husein Fida Huseibn Moledina	1,000
15.	Minhaz H Bhavnagari	875
16.	Mukhtar Shaikh	500
17.	Salim B Hirani	100
18.	Sarfraz Shanawaz Shah	1,000
19.	Turk Fakir Mohammed	866
20.	Prateek Chaturvedi	600
21.	Mohammad Sajid	850
22.	Jenson K Johny	200
23.	Vasi Sharafat Haider Sayyed	850
24.	Deepak Veetoba Modsingh	850
25.	Saeed Ali Patel	300
26.	Krishna Padama Nair	1,500
27.	Paras Sharma	200
28.	Shaikh Mohammed Kibriya	200
29.	Nisar Abdullah Sayed	850
30.	Al Amin Gulam Hussen Khoja	200
31.	Sayad Shahid Johar	850
32.	Zaigham Ali Ansari	850
33.	Rashid Raunaq Ali	850
34.	Mohd Aon Shaikh	750
35.	Guru Dayal Kumawat	850
36.	Malek Riyazmiya Habibmiya	850
37.	Asif Memon	500
38.	Jitu Adwani	850
39.	Mohd Ifraque Khan	850
40.	Khaisar Roshan	850
41.	Hardeep Singh	220
42.	Shafi Shamsuddin Shaikh	850
43.	Anwar Babu Shaikh	555
44.	Arif Syed Mohammed Naqvi	500
45.	Vineet Kumar	50
46.	Jivani Shazil Salim	500
47.	Vivek Singh	500
48.	Tauqeer Alam Ansari	500
49.	Prakash Haldar	300
50.	Rahim P Makani	750
51.	Vinayak Shankar More	750
52.	Fayaz S Shah	750
53.	Syednasir S M Naqvi	515

Sr. No.	Name of the allottee	Number of equity shares allotted
54.	<i>Altafbhai A Ajmeri</i>	500
55.	<i>Amin K Bharmal</i>	500
56.	<i>Mehmood Khan</i>	60
57.	<i>Imran Sharif</i>	251
58.	<i>Kirit V Zala</i>	750
59.	<i>Haroon Mansuriey</i>	750
60.	<i>Yunus Y. Khan</i>	100
61.	<i>Amol V More</i>	130
62.	<i>Naresh Chand</i>	500
63.	<i>Mohammed Imran</i>	500
64.	<i>Lachhi Singh</i>	500
65.	<i>Rakesh Kumar</i>	100
66.	<i>Irfan Memon</i>	750
67.	<i>Mohd Abdul Rafeeq</i>	750
68.	<i>Ahmedali Amirali</i>	200
69.	<i>Praveen Thakr</i>	750
70.	<i>Praful.Murji.Patel</i>	100
71.	<i>Faizul Hasan Arfi</i>	750
72.	<i>Sachin Digambar Haldankar</i>	110
73.	<i>Mahesh Chander Saini</i>	100
74.	<i>K Sunil</i>	60
75.	<i>Joginder Singh</i>	300
76.	<i>Pankaj Kumar Gupta</i>	750
77.	<i>Bana Amin Ali Mohammed H</i>	600
78.	<i>Sohan Singh</i>	200
79.	<i>Mohammed Saeed Sm Naqvi</i>	315
80.	<i>Vikram Thakur</i>	100
81.	<i>Dadasaheb Vithoba Chavan</i>	500
82.	<i>Wahid Khan</i>	499
83.	<i>Harish Tiwari</i>	500
84.	<i>Md Javed Md Shamsuddin Ansari</i>	230
85.	<i>Hans Raj</i>	200
86.	<i>Sudesh Kumar Chaudhary</i>	500
87.	<i>Birendra Kumar Singh</i>	500
88.	<i>Nigar Mohammed Arif</i>	500
89.	<i>Ibrahim Husaif</i>	500
90.	<i>Uday Kumar</i>	100
91.	<i>Sudhir Rawat</i>	200
92.	<i>Shabbar Sayeed</i>	500
93.	<i>Anwer P Z</i>	200
94.	<i>Raza Abbas Namdar</i>	100

For further details, please see “Risk Factors – Our Company has issued Equity Shares at a price that may be lower than the Offer Price in the last 12 months” on page 45.

5. Shareholding pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up equity shares held (IV)	Number of Partly paid-up equity shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoters and Promoter Group	16	223,080,120	0	0	223,080,120	83.99%	Equity Shares	-	223,080,120	83.99%	-	-	-	-	-	-	223,080,120
(B)	Public	223	42,527,306	0	0	42,527,306	16.01%	Equity Shares	-	42,527,306	16.01%	-	-	-	-	-	-	42,527,306
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	239*	265,607,426	0	0	265,607,426	100%	Equity Shares	-	265,607,426	100%	-	-	-	-	-	-	265,607,426

*Certain Equity Shares of the Company are under joint holding and the number of shareholders is calculated based on the number of folios as reflected in the list of beneficial owners.

6. Other details of Shareholding of our Company

- a) As on the date of this Prospectus, our Company has 239 Shareholders, based on the number of folios.
- b) Set forth below is a list of shareholders holding 1% or more of the paid up equity share capital of the Company, on a fully diluted basis, as on the date of this Prospectus:

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital as on the date of this Prospectus (%)
1.	Farah Malik Bhanji (as a trustee for the benefit of Aziza Malik Family Trust)	80,184,600	30.19%
2.	Farah Malik Bhanji (as a trustee for the benefit of Rafique Malik Family Trust)	79,027,920	29.75%
3.	Rekha Jhunjunwala (as a trustee for the benefit of Aryaman Jhunjunwala Family trust)	13,051,206	4.91%
4.	Rekha Jhunjunwala (as a trustee for the benefit of Aryavir Jhunjunwala Family Trust)	13,051,206	4.91%
5.	Rekha Jhunjunwala (as a trustee for the benefit of Nishtha Jhunjunwala Family trust)	13,051,188	4.91%
6.	Alisha Rafique Malik*	11,897,000	4.48%
7.	Farah Malik Bhanji*	7,933,000	2.99%
8.	Zarah Rafique Malik*	7,938,000	2.99%
9.	Zia Malik Lalji*	7,938,000	2.99%
10.	Sabina Malik Hadi*	7,938,000	2.99%
11.	Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust)	3,969,000	1.49%
12.	Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust)	3,969,000	1.49%
13.	Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust)	3,969,000	1.49%
14.	Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust)	3,969,000	1.49%
15.	Rafique A. Malik**	2,700,000	1.02%
Total		260,586,120	98.11%

*First holder, and jointly held with Rafique A. Malik.

** First holder, and jointly held with Aziza Rafique Malik and Farah Malik Bhanji.

- c) Set forth below is a list of shareholders holding 1% or more of the paid up equity share capital of the Company, on a fully diluted basis, as of 10 days prior to the date of this Prospectus:

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital 10 days prior to the date of this Prospectus (%)
1.	Farah Malik Bhanji (as a trustee for the benefit of Aziza Malik Family Trust)	80,184,600	30.19%
2.	Farah Malik Bhanji (as a trustee for the benefit of Rafique Malik Family Trust)	79,027,920	29.75%
3.	Rekha Jhunjunwala (as a trustee for the benefit of Aryaman Jhunjunwala Family trust)	13,051,206	4.91%
4.	Rekha Jhunjunwala (as a trustee for the benefit of Aryavir Jhunjunwala Family Trust)	13,051,206	4.91%
5.	Rekha Jhunjunwala (as a trustee for the benefit of Nishtha Jhunjunwala Family trust)	13,051,188	4.91%
6.	Alisha Rafique Malik*	11,897,000	4.48%
7.	Farah Malik Bhanji*	7,933,000	2.99%
8.	Zarah Rafique Malik*	7,938,000	2.99%
9.	Zia Malik Lalji*	7,938,000	2.99%
10.	Sabina Malik Hadi*	7,938,000	2.99%

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital 10 days prior to the date of this Prospectus (%)
11.	Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust)	3,969,000	1.49%
12.	Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust)	3,969,000	1.49%
13.	Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust)	3,969,000	1.49%
14.	Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust)	3,969,000	1.49%
15.	Rafique A. Malik**	2,700,000	1.02%
Total		260,586,120	98.11%

*First holder, and jointly held with Rafique A. Malik.

** First holder, and jointly held with Aziza Rafique Malik and Farah Malik Bhanji.

- d) Set forth below is a list of shareholders holding 1% or more of the paid up equity share capital of the Company, on a fully diluted basis, as of one year prior to the date of this Prospectus:

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital one year prior to the date of this Prospectus (%)
1	Farah Malik Bhanji (as a trustee for the benefit of Aziza Malik Family Trust)	40,092,300	30.20
2	Farah Malik Bhanji (as a trustee for the benefit of Rafique Malik Family Trust)	39,513,960	29.76
3	Rekha Jhunjunwala (as a trustee for the benefit of Aryaman Jhunjunwala Family trust)	6,525,603	4.92
4	Rekha Jhunjunwala (as a trustee for the benefit of Aryavir Jhunjunwala Family Trust)	6,525,594	4.92
5	Rekha Jhunjunwala (as a trustee for the benefit of Nishtha Jhunjunwala Family trust)	6,525,603	4.92
6	Alisha Rafique Malik*	5,953,500	4.48
7	Sabina Malik Hadi*	3,969,000	2.99
8	Zia Malik Lalji*	3,969,000	2.99
9	Zarah Rafique Malik*	3,969,000	2.99
10	Farah Malik Bhanji*	3,969,000	2.99
11	Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust)	1,984,500	1.49
12	Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust)	1,984,500	1.49
13	Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust)	1,984,500	1.49
14	Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust)	1,984,500	1.49
15	Rafique A. Malik*	1,350,000	1.02
Total		130,300,560	98.14

*First holder, and jointly held with Rafique A. Malik.

** First holder, and jointly held with Aziza Rafique Malik and Farah Malik Bhanji.

- e) Set forth below is a list of shareholders holding 1% or more of the paid up equity share capital of the Company, on a fully diluted basis, as of two years prior to the date of this Prospectus:

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital two years prior to the date of this Prospectus (%)
1	Farah Malik Bhanji (as a trustee for the benefit of Aziza Malik Family Trust)	40,092,300	30.20
2	Farah Malik Bhanji (as a trustee for the benefit of Rafique Malik Family Trust)	39,513,960	29.76

S. No.	Name of the shareholder	No. of equity shares	Percentage of the pre-Offer equity share capital two years prior to the date of this Prospectus (%)
3	Rekha Jhunjunwala (as a trustee for the benefit of Aryaman Jhunjunwala Family trust)	6,525,603	4.92
4	Rekha Jhunjunwala (as a trustee for the benefit of Aryavir Jhunjunwala Family Trust)	6,525,594	4.92
5	Rekha Jhunjunwala (as a trustee for the benefit of Nishtha Jhunjunwala Family trust)	6,525,603	4.92
6	Alisha Rafique Malik*	5,953,500	4.48
7	Farah Malik Bhanji*	3,969,000	2.99
8	Zarah Rafique Malik*	3,969,000	2.99
9	Zia Malik Lalji*	3,969,000	2.99
10	Sabina Malik Hadi*	3,969,000	2.99
11	Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust)	1,984,500	1.49
12	Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust)	1,984,500	1.49
13	Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust)	1,984,500	1.49
14	Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust)	1,984,500	1.49
15	Rafique A. Malik**	1,350,000	1.02
Total		130,300,560	98.14

*First holder, and jointly held with Rafique A. Malik.

** First holder, and jointly held with Aziza Rafique Malik and Farah Malik Bhanji.

7. Details of Shareholding of our Promoters, members of the Promoter Group in our Company

As on the date of this Prospectus, our Promoters collectively hold 181,742,520 Equity Shares, equivalent to 68.43% of the issued, subscribed and paid-up equity share capital of our Company.

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Name of the Promoter	Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital	
Rafique Malik	February 22, 1977	10	100	100	Subscription to the MOA	Cash	Negligible	Negligible	
	December 15, 1986*	990	100	100	Further issuance	Cash	Negligible	Negligible	
	August 31, 1987	1,000	100	100	Further issuance	Cash	Negligible	Negligible	
	October 10, 1988*	3,000	100	100	Further issuance	Cash	Negligible	Negligible	
	August 24, 1992	5,000	100	100	Rights issue	Cash	Negligible	Negligible	
	June 22, 2000	12,500 ⁽¹⁾	100	-	Transmission following death of Abdul Malik Tejani	N.A	Negligible	Negligible	
	December 15, 2000	(5,325) ⁽²⁾	100	200	Transfer to Aziza R. Malik (as first holder and Rafique A. Malik as second holder)	Cash	Negligible	Negligible	
	September 20, 2001	3,250 ⁽³⁾	100	-	Transmission following death of Malek Sultan Tejani	N.A	Negligible	Negligible	
	Pursuant to a board resolution dated November 30, 2004 and a shareholders' resolution dated December 29, 2004, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, 20,425 equity shares of face value ₹100 each held by Rafique A. Malik were sub-divided into 204,250 equity shares of face value ₹10 each.								
	January 4, 2005	408,500	10	-	Bonus issue	N.A	0.15	0.15	
	January 4, 2008*	(109,450)	10	1200.00	Transfer to Rekha Jhunjunwala	Cash	0.04	0.04	
	December 23, 2008	1,006,600	10	-	Bonus issue	N.A	0.38	0.37	
	October 21, 2009	50 ⁽⁴⁾	10	433.33	Transfer from Mahrukh Zariri Kerawala	Cash	Negligible	Negligible	
	January 21, 2010	450 ⁽⁴⁾	10	433.33	Transfer from Sachin Aggarwal	Cash	Negligible	Negligible	
January 27, 2010	25 ⁽⁴⁾	10	433.33	Transfer from Mahrukh Zariri Kerawala	Cash	Negligible	Negligible		
February 15, 2010	300 ⁽⁴⁾	10	616	Transfer from Sandeep Shelatkar	Cash	Negligible	Negligible		
February 2, 2011	150 ⁽⁴⁾	10	540	Transfer from Michael Grogore Barboza	Cash	Negligible	Negligible		
February 22, 2011*	30 ⁽⁴⁾	10	542*	Transfer from Vasant Shah	Cash	Negligible	Negligible		
April 20, 2011	30 ⁽⁴⁾	10	536	Transfer from Bina Gupte	Cash	Negligible	Negligible		

Name of the Promoter	Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
	July 5, 2012	225 ⁽⁴⁾	10	617.75	Transfer from Iqbal Kazi	Cash	Negligible	Negligible
	July 5, 2012	225 ⁽⁴⁾	10	617.75	Transfer from Shabnam M. J. Kazi	Cash	Negligible	Negligible
	November 22, 2012	3,022,770	10	-	Bonus issue	N.A	1.14	1.11
	November 6, 2013	4,500 ⁽⁴⁾	10	556	Transfer from Prashant Shah	Cash	Negligible	Negligible
	March 19, 2014	1,380 ⁽⁴⁾	10	556	Transfer from Lavina Rodrigues	Cash	Negligible	Negligible
	April 8, 2014	135 ⁽⁴⁾	10	417	Transfer from Sanjay Ghosal	Cash	Negligible	Negligible
	March 27, 2015	180 ⁽⁴⁾	10	417	Dayanand Wakale	Cash	Negligible	Negligible
	March 28, 2015	90 ⁽⁴⁾	10	417	A. Sekar	Cash	Negligible	Negligible
	January 31, 2017	(1,051,000)	10	-	Gift to Alisha Malik ⁽⁸⁾	N.A	0.40	0.39
	March 27, 2017	(15,000)	10	-	Gift to Alisha Malik ⁽⁸⁾	N.A	0.01	0.01
	March 30, 2017	(3,324,440)	10	335.06	Transfer to Rafique Malik Family Trust	Cash	1.25	1.22
	December 12, 2018	1,200,000	10	-	Bonus issue	N.A	0.45	0.44
	Pursuant to a board resolution dated March 25, 2021 and a shareholders' resolution dated March 30, 2021, equity share of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, 1,350,000 equity shares of face value ₹10 each held by Rafique A. Malik were sub-divided into 2,700,000 equity shares of face value ₹5 each.							
Sub-total		2,700,000					1.02	0.99
Farah Malik Bhanji	August 31, 1987	15 ⁽⁵⁾	100	100	Further issuance	Cash	Negligible	Negligible
	October 10, 1988*	1,485	100	Not available	Transfer from various parties	-	Negligible	Negligible
	March 16, 1992	2,000 ⁽⁵⁾	100	100	Further issuance	Cash	Negligible	Negligible
	August 24, 1992	650 ⁽⁵⁾	100	100	Rights issue	Cash	Negligible	Negligible
	March 3, 1995	800 ⁽⁵⁾	100	100	Further issuance	Cash	Negligible	Negligible
	December 27, 2000*	(2,500)	100	Not available	Transfer to Aziza Malik	Cash	Negligible	Negligible
	Pursuant to a board resolution dated November 30, 2004 and a shareholders' resolution dated December 29, 2004, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, 2450 equity shares of face value ₹100 each held by Farah Malik Bhanji were sub-divided into 24,500 equity shares of face value ₹10 each.							
	January 4, 2005	49,000	10	-	Bonus issue	N.A	0.02	0.02
	December 23, 2008	147,000	10	-	Bonus issue	N.A	0.06	0.05
	November 22, 2012	441,000	10	-	Bonus issue	N.A	0.17	0.16
January 31, 2017	1,051,000 ⁽⁶⁾	10	-	Gift from Aziza Malik	N.A	0.40	0.39	

Name of the Promoter	Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
	March 27, 2017	15,000 ⁽⁶⁾	10	-	Gift from Aziza Malik	N.A	0.01	0.01
	March 30, 2017	(1,066,000)	10	-	Gift to Aziza Malik Family Trust	N.A	0.40	0.39
	July 28, 2017	(220,500)	10	-	Gift to Farah Malik Family Trust	N.A	0.08	0.08
	December 12, 2018	3,528,000	10	-	Bonus issue	N.A	1.33	1.30
	Pursuant to a board resolution dated March 25, 2021 and a shareholders' resolution dated March 30, 2021, equity share of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, 39,69,000 equity shares of face value ₹10 each held by Farah Malik Bhanji were sub-divided into 7,938,000 equity shares of face value ₹5 each.							
	October 21, 2021	(5,000)	5	N.A	Gift to Suleiman Bhanji	N.A.	Negligible	Negligible
Sub-total		7,933,000					2.99	2.92
Alisha Malik	March 16, 1992	2,000 ⁽⁷⁾	100	100	Further issuance	Cash	Negligible	Negligible
	December 27, 2000*	450	100	Not available	Transfer from Zia Malik	Cash	Negligible	Negligible
	Pursuant to a board resolution dated November 30, 2004 and a shareholders' resolution dated December 29, 2004, equity shares of face value of ₹100 each of our Company were sub-divided into equity shares of face value of ₹10 each. Consequently, 2,450 equity shares of face value ₹100 each held by Alisha Malik were sub-divided into 24,500 equity shares of face value ₹10 each.							
	January 4, 2005	49,000	10	-	Bonus issue	N.A	0.02	0.02
	December 23, 2008	1,47,000	10	-	Bonus issue	N.A	0.06	0.05
	November 22, 2012	441,000	10	-	Bonus issue	N.A	0.17	0.16
	January 31, 2017	1,051,000 ⁽⁸⁾	10	N.A.-	Gift from Rafique A. Malik ⁽⁶⁾	N.A	0.40	0.39
	March 27, 2017	15,000 ⁽⁸⁾	10	N.A.-	Gift from Rafique A. Malik ⁽⁶⁾	N.A	0.01	0.01
	March 30, 2017	(1,066,000)	10	N.A.	Gift to Rafique Malik Family Trust	N.A.	0.40	0.39
	December 12, 2018	5,292,000	10	-	Bonus issue	N.A	1.99	1.95
	Pursuant to a board resolution dated March 25, 2021 and a shareholders' resolution dated March 30, 2021, equity share of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, 5,953,500 equity shares of face value ₹10 each held by Alisha Malik were sub-divided into 11,907,000 equity shares of face value ₹5 each.							
	October 27, 2021	(10,000)	10	N.A.	Gift to Aziza Malik	N.A.	Negligible	Negligible
Sub-total		11,897,000					4.48	4.38
Rafique Malik Family Trust	March 30, 2017	3,324,440	10	335.06	Transfer from Rafique A. Malik ⁽⁹⁾	Cash	1.25	1.22
	March 30, 2017	1,066,000	10	N.A.	Gift from Alisha Malik ⁽⁶⁾	N.A	0.40	0.39
	December 12, 2018	35,123,520	10	N.A.	Bonus issue	N.A	13.23	12.94

Name of the Promoter	Date of allotment/ transfer and made fully paid up	No. of equity shares	Face value (₹)	Issue/ Acquisition/ Sale price per equity share (₹)	Nature of Transaction	Nature of consideration	% of the pre-Offer share capital	% of the post-Offer share capital
	Pursuant to a board resolution dated March 25, 2021 and a shareholders' resolution dated March 30, 2021, equity share of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, 39,513,960 equity shares of face value ₹10 each held by Rafique Malik Family Trust were sub-divided into 79,027,920 equity shares of face value ₹5 each.							
Sub-total		79,027,920					29.75	29.11
Aziza Malik Family Trust	March 30, 2017	3,388,700	10	335.06	Transfer from Aziza R. Malik ⁽¹⁰⁾	Cash	1.28	1.25
	March 30, 2017	1,066,000	10	-	Gift from Farah Malik Bhanji ⁽⁸⁾	N.A	0.40	0.39
	December 12, 2018	35,637,600	10	-	Bonus issue	N.A	13.42	13.13
	Pursuant to a board resolution dated March 25, 2021 and a shareholders' resolution dated March 30, 2021, equity share of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, 40,092,300 equity shares of face value ₹10 each held by Aziza Malik Family Trust were sub-divided into 80,184,600 equity shares of face value ₹5 each.							
Sub-total		80,184,600					30.19	29.53

* For certain changes in our share capital and transfers between shareholders (including Promoters), we have been unable to trace any records, and have relied on our audited balance sheets comprised in our annual reports, register of members, share certificates and a certificate dated August 19, 2021 from Shweta R. Parwani, Practicing Company Secretary, for the purposes of such disclosures. These have been indicated in the build-up above. Please also see the section titled "Risk Factors – Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable" on page 44.

⁽¹⁾ These shares were transmitted to Rafique A. Malik jointly with Aziza R. Malik as second holder.

⁽²⁾ These shares were held jointly with Aziza R. Malik as second holder.

⁽³⁾ These shares were transmitted to Rafique A. Malik jointly with Aziza R. Malik as second holder.

⁽⁴⁾ Transfer to joint account of Rafique A. Malik, Aziza R. Malik (as second holder) and Farah Malik Bhanji (as third holder).

⁽⁵⁾ Allotted to Rafique A. Malik and Aziza R. Malik as natural guardians of Farah Malik Bhanji.

⁽⁶⁾ Acquired in the capacity of a trustee of the Aziza Malik Family Trust, earmarked to be transferred to Aziza Malik Family Trust, upon opening of its demat account.

⁽⁷⁾ Allotted to Rafique A. Malik and Aziza R. Malik as natural guardians of Alisha Malik.

⁽⁸⁾ Acquired in the capacity of a trustee of the Rafique Malik Family Trust, earmarked to be transferred to Rafique Malik Family Trust, upon opening of its demat account.

⁽⁹⁾ The consideration paid was through a promissory note dated March 28, 2017 under which the maturity date is March 30, 2037.

⁽¹⁰⁾ The consideration paid was through a promissory note dated March 28, 2017 under which the maturity date is March 30, 2037.

None of the Equity Shares held by our Promoters are subject to any pledge as on the date of this Prospectus.

The entire shareholding of our Promoters is in dematerialised form as of the date of this Prospectus.

Except as disclosed below, the members of the Promoter Group (other than our Promoters) do not hold any Equity Shares as on the date of this Prospectus:

S No.	Name of shareholder	Pre-Offer equity share capital	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital (%)
Promoter Group			
1.	Aziza Rafique Malik*	1,350,000	0.51
2.	Mumtaz Jaffer	25,300	Negligible
3.	Rukshana Kurbanali Javeri*	243,000	Negligible
4.	Zarah Rafique Malik*#	7,938,000	2.99
5.	Zia Malik Lalji*#	7,938,000	2.99
6.	Sabina Malik Hadi*#	7,938,000	2.99
7.	Suleiman Bhanji	29,300	Negligible
8.	Zarah Malik Family Trust	3,969,000	1.49
9.	Farah Malik Family Trust	3,969,000	1.49
10.	Zia Malik Family Trust	3,969,000	1.49
11.	Sabina Malik Family Trust	3,969,000	1.49
	Total	41,337,600	15.56

*First holder and jointly held with Rafique A. Malik

#Also the Promoter Group Selling Shareholder.

Except as disclosed below, (a) none of the members of the Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Prospectus, and (b) there are no Equity Shares acquired by our Promoter Group, Selling Shareholders, and shareholders who are entitled to nominate directors or having any other rights, in the three years preceding the date of this Prospectus:

Name of acquirer	Date of acquisition/ transfer	Number of Equity Shares acquired/ transferred	Acquisition / (transfer) price per Equity Share
Aziza Rafique Malik ⁽¹⁾	March 30, 2021	675,000	-
	October 27, 2021	10,000	-
	November 9, 2021	(1,000)	(500)
	November 9, 2021	(2,000)	(500)
	November 9, 2021	(2,000)	(500)
	November 9, 2021	(4,000)	(500)
	November 9, 2021	(1,000)	(450)
Mumtaz Jaffer ⁽¹⁾	March 30, 2021	12,150	-
	November 9, 2021	1,000	450
Rukshana Kurbanali Javeri ⁽¹⁾	March 30, 2021	121,500	-
Zarah Rafique Malik ⁽¹⁾⁽²⁾	March 30, 2021	3,969,000	-
Zia Malik Lalji ⁽¹⁾⁽²⁾	March 30, 2021	3,969,000	-
Sabina Malik Hadi ⁽¹⁾⁽²⁾	March 30, 2021	3,969,000	-
Suleiman Bhanji ⁽¹⁾	March 30, 2021	12,150	-
	October 21, 2021	5,000	-
Rafique A. Malik (as a trustee for the benefit of Zarah Malik Family Trust) ⁽¹⁾	March 30, 2021	1,764,000	-
	March 30, 2021	1,984,500	-
Rafique A. Malik (as a trustee for the benefit of Farah Malik Family Trust) ⁽¹⁾	March 30, 2021	1,984,500	-
Rafique A. Malik (as a trustee for the benefit of Zia Malik Family Trust) ⁽¹⁾	March 30, 2021	1,984,500	-
Rafique A. Malik (as a trustee for the benefit of Sabina Malik Family Trust) ⁽¹⁾	March 30, 2021	1,984,500	-

Name of acquirer	Date of acquisition/ transfer	Number of Equity Shares acquired/ transferred	Acquisition / (transfer) price per Equity Share
Rakesh Hridaynarayan Pathak ⁽²⁾	March 30, 2021	4,050	-
Rekha Jhunjhunwala (As a trustee Of Aryaman Jhunjhunwala Discretionary Trust) ⁽³⁾	March 30, 2021	6,525,603	-
Rekha Jhunjhunwala (As a trustee Of Aryavir Jhunjhunwala Discretionary Trust) ⁽³⁾	March 30, 2021	6,525,603	-
Rekha Jhunjhunwala (As a trustee Of Nishtha Jhunjhunwala Discretionary Trust) ⁽³⁾	March 30, 2021	6,525,594	-
Rekha Jhunjhunwala ⁽³⁾	March 30, 2021	90,000	-

(1) Member of the Promoter Group.

(2) Selling Shareholder.

(3) Shareholders entitled to nominate directors.

For details of specified securities acquired by our Promoters in the past three years preceding the date of this Prospectus, please see “- Details of Shareholding of our Promoters, members of the Promoter Group in our Company” on page 90.

8. Details of Promoters’ contribution and lock-in

- a) Pursuant to Regulations 14 and 16 (1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters, except for the Equity Shares offered pursuant to the Offer for Sale, shall be locked in for a period of eighteen months as minimum Promoters’ contribution (“**Minimum Promoters’ Contribution**”) from the date of Allotment and the shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment, as a majority of the Net Proceeds are not proposed to be utilized for capital expenditure. As per the applicable provisions of SEBI ICDR Regulations, “capital expenditure” means civil work, miscellaneous fixed assets, purchase of land, building and plant and machinery, etc. Please see “*Objects of the Offer*” at page 103.
- b) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Minimum Promoters’ Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Percentage of the pre- Offer paid-up capital (%) ^(*)	Percentage of the post- Offer paid-up capital (%) ^(*)
Rafique Malik Family Trust	14,94,440	March 30, 2017	Transfer from Rafique A. Malik	10	1.13	1.10
	10,66,000	March 30 2017	Gift from Alisha Malik	10	0.80	0.78
	1,10,19,210	December 12, 2018	Bonus issue	10	8.30	8.12
Aziza Malik Family Trust	15,20,200	March 30, 2017	Transfer from Aziza R. Malik	10	1.14	1.12
	10,66,000	March 30 2017	Gift from Farah Malik Bhanji	10	0.80	0.79
	1,09,93,450	December 12, 2018	Bonus issue	10	8.28	8.10
Total (post sub division)	5,43,18,600	-	-	5	20.45	20.01

* Percentages have been adjusted for sub-division

- c) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters’ contribution in terms of Regulation 15 of the SEBI ICDR Regulations.
- d) In this connection, please note that:

- (i) The Equity Shares offered for Minimum Promoters' Contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution.
- (ii) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.
- (iii) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a Company.

9. Details of equity share capital locked-in for six months

Pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company (including those Equity Shares held by our Promoters in excess of the Promoters' Contribution) shall be locked-in for a period of six months from the date of Allotment, except for (i) the Equity Shares Allotted pursuant to the Offer for Sale; (ii) any Equity Shares held by the eligible employees (whether currently employees or not and including the legal heirs or nominees of any deceased employees or ex-employees) of our Company which have been allotted to them under ESOP 2008, prior to the Offer, except as required under applicable law, (iii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders, and (iv) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

10. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

11. Recording on non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

12. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a housing finance company, subject to the following:

- (i) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan; and
- (ii) with respect to the Equity Shares locked-in as Promoters' Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in, in the hands of such transferee, for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are

locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of such transferee and compliance with the applicable provisions of the Takeover Regulations.

13. Employee stock option schemes:

Metro Stock Option Plan 2008

Pursuant to a resolution dated July 23, 2008 passed by our Board of Directors and special resolution dated September 11, 2008 passed by our Shareholders, approval was provided to the Metro Stock Option Plan 2008 (“ESOP 2008”) to offer, issue and allot Equity Shares to the eligible employees of our Company. ESOP 2008 was subsequently amended to increase the number of stock options by way of our board resolution dated March 13, 2014 and shareholders’ resolution dated September 26, 2014. ESOP 2008 was further amended to extend the term by way of our board resolution dated July 30, 2020 and shareholders’ resolution dated September 17, 2020. ESOP 2008 was further amended to increase the number of stock options by way of our board resolution dated July 27, 2021 and shareholders’ resolution dated August 5, 2021. ESOP 2008 was further amended to ensure compliance with the SEBI SBEB Regulations 2021 by way of our board resolution dated September 17, 2021 and shareholders’ resolution dated September 23, 2021.

ESOP 2008 is administered by the Nomination, Remuneration and Compensation Committee. The objective of ESOP 2008 is, among others, to attract and retain competent persons and recognise and reward executive contribution to our Company’s success. ESOP 2008 has been framed in compliance with the SEBI SBEB Regulations 2021.

ESOP 2008 is in compliance with Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards.

Details of ESOP 2008, as certified by certificate dated December 15, 2021 from M. P. Chitale & Co. Chartered Accountants, are as follows:

Particulars	Total*
Options granted	20,55,772
Options vested (excluding options that have been exercised)	85,500
Options exercised	71,075
Total number of Equity Shares that would arise as a result of full exercise of options granted (including options that have been exercised) (net of cancelled options)	2,034,877
Options forfeited/lapsed/cancelled	20,895
Total number of options in force	1,963,802

* includes options on account of bonus issues and sub-division.

Particulars	Details				
	Financial Year 2019	Financial Year 2020	Financial Year 2021	Six months period ended September 30, 2021	From October 1, 2021 until the date of this Prospectus.
Total options outstanding as at the beginning of the period	30,475	54,900	54,900	85,500	1,963,802
Options granted #	62,120	-	42,750	1,878,302	-
Exercise price of options granted in ₹ during the year/period	-	-	-	-	-
Exercise price of options exercised in ₹ during the year/period	9,185 equity shares at ₹108.33 per equity share, 7,050 equity shares at ₹325 per equity share, 6,475 equity shares at ₹525 per equity share,				

Particulars	Details																									
	Financial Year 2019	Financial Year 2020	Financial Year 2021	Six months period ended September 30, 2021	From October 1, 2021 until the date of this Prospectus.																					
	8,100 equity shares at ₹58.33 per equity share, 6,885 equity shares at ₹36.11 per equity share																									
Options forfeited/lapsed/cancelled	-	-	12,150	-	-																					
Variation of terms of options	Nil	Nil	(Note 1)	(Note 2)	-																					
Money realized by exercise of options	7,406,761	-	-	-	-																					
Total number of options in force	54,900	54,900	85,500	1,963,802	1,963,802																					
Options vested (excluding the options that have been exercised) during the year/period	54,900	54,900	85,500	85,500	85,500																					
Options exercised during the year/period	37,695	-	-	-	-																					
The total number of Equity Shares arising as a result of full exercise of granted options (including options that have been exercised) (net of cancelled options)	125,975	125,975	156,575	2,034,877	2,034,877																					
Employee wise details of options granted to:																										
(a) Key managerial personnel	<table border="1"> <thead> <tr> <th>Name of employee</th> <th>Total number of options granted</th> <th>Number of options outstanding as on the date of this Prospectus</th> </tr> </thead> <tbody> <tr> <td>Subhash Malik (^)</td> <td>10,800</td> <td>-</td> </tr> <tr> <td>Sohel Kamdar</td> <td>270,917</td> <td>270,917</td> </tr> <tr> <td>Nissan Joseph</td> <td>300,939</td> <td>300,939</td> </tr> <tr> <td>Kaushal Parekh</td> <td>96,478</td> <td>96,478</td> </tr> <tr> <td>Iqbal Dossani</td> <td>22,515</td> <td>22,515</td> </tr> <tr> <td>Tarannum Bhanpurwala</td> <td>5,311</td> <td>5,311</td> </tr> </tbody> </table> <p>(^) Mr. Subhash Malik was Director up to November 25, 2020. Options allotted to him lapsed on his retirement w.e.f. September 30, 2020.</p>					Name of employee	Total number of options granted	Number of options outstanding as on the date of this Prospectus	Subhash Malik (^)	10,800	-	Sohel Kamdar	270,917	270,917	Nissan Joseph	300,939	300,939	Kaushal Parekh	96,478	96,478	Iqbal Dossani	22,515	22,515	Tarannum Bhanpurwala	5,311	5,311
Name of employee	Total number of options granted	Number of options outstanding as on the date of this Prospectus																								
Subhash Malik (^)	10,800	-																								
Sohel Kamdar	270,917	270,917																								
Nissan Joseph	300,939	300,939																								
Kaushal Parekh	96,478	96,478																								
Iqbal Dossani	22,515	22,515																								
Tarannum Bhanpurwala	5,311	5,311																								
(b) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	<table border="1"> <thead> <tr> <th>Name of employee</th> <th>Total number of options granted between Fiscal 2019 – Fiscal 2021 (#)</th> <th>Total number of options granted for the six month period ended September 30, 2021</th> <th>Number of options outstanding as on the date of Prospectus</th> </tr> </thead> <tbody> <tr> <td>Rakesh Singh</td> <td>6,120</td> <td>-</td> <td>22,954</td> </tr> <tr> <td>Pramod Sutar</td> <td>23,375</td> <td>-</td> <td>40,856</td> </tr> </tbody> </table>					Name of employee	Total number of options granted between Fiscal 2019 – Fiscal 2021 (#)	Total number of options granted for the six month period ended September 30, 2021	Number of options outstanding as on the date of Prospectus	Rakesh Singh	6,120	-	22,954	Pramod Sutar	23,375	-	40,856									
Name of employee	Total number of options granted between Fiscal 2019 – Fiscal 2021 (#)	Total number of options granted for the six month period ended September 30, 2021	Number of options outstanding as on the date of Prospectus																							
Rakesh Singh	6,120	-	22,954																							
Pramod Sutar	23,375	-	40,856																							

Particulars	Details				
	Financial Year 2019	Financial Year 2020	Financial Year 2021	Six months period ended September 30, 2021	From October 1, 2021 until the date of this Prospectus.
		Kaushal Parekh	7,200	96,478	96,478
		Rajesh Pilaji	57,375	-	71,757
		Sohel Kamdar	-	270,917	270,917
		Nissan Joseph	-	300,939	300,939
		Rajgopal Nayak	-	108,427	108,427
	<p>Note:</p> <p>Rakesh Singh: Total options including options granted during Fiscal 2019 were fully exercised in same year.</p> <p>Kaushal Parekh: Total options including options granted during Fiscal 2019 were fully exercised in same year.</p> <p>(#)These are not fresh grants but issued as a result of bonus and sub-division of equity shares in FY 2019 and FY 2021 respectively.</p>				
(c) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-	-
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	₹5.75	₹ 6.05	₹2.43	₹1.62	Not available
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	Not Applicable; since Fair valuation of the stock options is used				Not applicable since no options granted
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying	Not applicable as other than pursuant to bonus, no options were granted during the year	Not applicable as no options were granted during the year	Not applicable as other than pursuant to sub-division, no options were granted during the year	<p>Risk-free interest rate (%):</p> <p>4.98 - 6.04</p> <p>Expected life / Time to Maturity (years):</p> <p>3.50 - 7.50</p> <p>Expected Volatility: (%)</p> <p>38.2 - 43.6</p>	Not applicable as no options were granted during the period

Particulars	Details				
	Financial Year 2019	Financial Year 2020	Financial Year 2021	Six months period ended September 30, 2021	From October 1, 2021 until the date of this Prospectus.
share in the market at the time of grant of option.				Expected dividend yield (%) 0.66 Exercise price (₹) 228.00 Share price at grant date (₹): 228.18	
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three Years	Not Applicable, since accounted as per IND AS				Not Applicable
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	As confirmed by the KMP and Whole Time Directors, none of the KMP or whole time directors to whom ESOPs were allotted intend to sell equity shares within three months after the listing of equity shares pursuant to the offer.				
Intention to sell Equity Shares arising out of ESOP 2008 or allotted under ESOP 2008 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of ESOP 2008, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Nil				

These are not fresh grants but issued as a result of bonus and sub-division of shares for FY 2019 and FY 2021 respectively.

Equity shares were sub-divided pursuant to the board and shareholders resolutions dated March 21, 2021 and March 30, 2021 respectively and the number of options are updated in the table to factor the impact of above events.

Note 1:

Following are the variation in terms of options in 2020:

1. Period with in which the resigning employee should sell the shares to the Company or any person nominated by the Company has been revised to 3 days from 30 days.
2. Independent directors were made ineligible for ESOPs.

3. Earlier employees could retain all vested options in the event of resignation/termination. There is no such provision in 2020.
4. Employees do not have right to appoint beneficiary.
5. Removal of conditions applicable when there is change in the control in the Company.

Note 2:

Following are the variation in terms of options in 2021:

1. Quantum of options to be granted increased to 53 lakhs options (pool).
2. Change in the definition of employees eligible for ESOP
3. The Employee Stock Options granted shall be capable of being exercised within a period not being more than 5 years from the date of vesting of the stock Options, compared to previous exercise period of 3 years.
4. To calculate the employee compensation cost, the Company shall use the Intrinsic Value Method for valuation of the options granted.

Further, the following variations were approved by the Shareholder in their meeting dated September 23, 2021:

1. Change in the definition of employees eligible for ESOP.
 2. Previously, the definition of “Applicable Laws” included “SEBI (Share Based Employee Benefits) Regulations, 2014”. It now includes “Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021”.
 3. Previously, definition of Independent Director was as defined in Companies Act 2013. Now, “Independent Director” means an independent Director determined as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of the Companies Act, 2013.
14. Except for Equity Shares which may be issued pursuant to ESOP 2008, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.
 15. Except as disclosed above, none of the members of the Promoter Group, our Promoters, and / or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Prospectus.
 16. There have been no financing arrangements whereby our Promoters, members of the Promoter Group, and / or our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Prospectus.
 17. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.
 18. As on the date of this Prospectus, the BRLMs, and their respective associates, as defined under the SEBI Merchant Bankers Regulations, do not hold any Equity Shares. The BRLMs, and their associates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
 19. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the members of the Promoter Group during the period between the date of the Draft Red Herring Prospectus and the date of closure of the Offer, shall be reported to the Stock Exchanges within 24 hours of such transaction.
 20. Our Company, the Promoters, our Directors and the BRLMs have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

21. Except for stock options granted under ESOP 2008, there are no warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares as on the date of this Prospectus.
22. The Offer was made through the Book Building Process in terms of Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was available for allocation on a proportionate basis to QIBs. Our Company and the Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third was reserved for domestic Mutual Funds only. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations. All potential Bidders (except Anchor Investors) were mandatorily required to utilise the ASBA process providing details of their respective ASBA accounts and UPI ID in case of RIBs using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount were blocked by SCSBs) or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA Process. For further details, see "*Offer Procedure*" on page 369.
23. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
24. Our Promoters and the members of our Promoter Group did not participate in the Offer, except to the extent of the Offer for Sale by our Promoters and the Promoter Group Selling Shareholders.
25. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Directors, our Promoters, members of our Promoter Group or Group Companies, offered any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
26. Neither the (i) BRLMs or any associate of the BRLMs (other than mutual funds sponsored entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs); nor (ii) any person related to the Promoters or Promoter Group could apply under the Anchor Investor Portion.
27. Except as disclosed under "*-Notes to the Capital Structure*" on page 75, our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.

OBJECTS OF THE OFFER

The Offer comprised of the Fresh Issue and an Offer for Sale.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

Offer for Sale

Each of the Selling Shareholders will be entitled to the proceeds of the Offer for Sale after deducting its portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Other than the listing fees for the Offer, which will be borne by our Company, and the fees and expenses of the legal counsel and the chartered accountants to the Selling Shareholders, which will be borne by the Selling Shareholders, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, upon successful completion of the Offer.

Fresh Issue

Requirement of funds

We propose to utilise the Net Proceeds towards funding the following objects:

1. Expenditure for opening new stores of the Company, under the “Metro”, “Mochi”, “Walkway” and “Crocs” brands (“**New Stores**”); and
2. General corporate purposes

(collectively, the “**Objects**”).

In addition, we expect to achieve the benefits of listing of the Equity Shares on the Stock Exchanges which, we believe, will result in the enhancement of our brand name and creation of a public market for our Equity Shares in India.

Proceeds of the Fresh Issue

The details of the proceeds of the Fresh Issue are set forth below:

<i>(In ₹ million)</i>	
Particulars	Amount
Gross Proceeds of the Fresh Issue	2,950.00
(Less) Estimated Offer related expenses in relation to the Fresh Issue	100.66
Net Proceeds	2,849.34

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the following manner:

<i>(In ₹ million)</i>	
Particulars	Amount
Expenditure for opening the New Stores	2,253.74
General corporate purposes*	595.60
Total*	2,849.34

* The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

The main objects of our Memorandum of Association enable us to carry on our existing business activities, and the activities for which funds are being raised through the Fresh Issue.

Schedule of Implementation and Deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(In ₹million)

Particulars	Total estimated costs	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds in Financial Year 2022	Estimated deployment of Net Proceeds in Financial Year 2023	Estimated deployment of Net Proceeds in Financial Year 2024	Estimated deployment of Net Proceeds in Financial Year 2025
Expenditure for the New Stores	2,253.74	2,253.74	171.02	686.08	757.76	638.88
General corporate purposes*	595.60	595.60	595.60	-	-	-
Total*	2,849.34	2,849.34	766.62	686.08	757.76	638.88

*The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

We propose to deploy the entire Net Proceeds towards the Objects by the end of Financial Year 2025. However, if the Net Proceeds are not completely utilised for the objects stated above by the end of Financial Year 2025, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, which are subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy and interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see “*Risk Factors - Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company*” on page 48.

Subject to applicable laws, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/or debt arrangements from existing and future lenders, subject to compliance with applicable law. We believe that such alternate arrangements would be available to fund any such shortfalls.

Details of the Objects of the Offer

1. Expenditure for opening new stores of our Company under the “Metro”, “Mochi”, “Walkway” and “Crocs” brands

From the Net Proceeds of the Fresh Issue, we propose to establish 260 New Stores. The establishment of the New Stores is proposed to be undertaken entirely from the Net Proceeds of the Fresh Issue.

The number of stores we propose to establish under each brand are as follows:

Brand	Total number of stores to be opened
Metro	61
Mochi	60
Walkway	45
Crocs	94
Total	260

For further details, please see “*Risk Factors - If we are unable to effectively manage or expand our retail network and operations or pursue our growth strategy, our new stores may not achieve our expected level of profitability which may adversely affect our business prospects, financial condition and results of operations*” on page 33.

The details of the total estimated costs to be incurred are as follows:

Particulars	Total costs
Capital expenditure for fit-out costs	1,003.72
Inventory costs	1,003.95
Security deposit costs	246.07
Total	2,253.74

The expenditure at the time of establishing a New Store comprises of the following:

Costs	Particulars
Capital expenditure for fit-out costs	Furniture, gypsum ceiling, painting, fittings, interiors & civil finishing
	Modular fixtures, fittings & signage
	Air conditioning and ventilation (equipment, fitting, piping and ducting, as applicable)
	Office equipment (including computer systems, close circuit cameras, etc.)
	Electrical cabling, wiring & light fittings
	Generators and other items
	Other miscellaneous costs, which include design fees & transportation
Inventory costs	This comprises of store inventory required for commencing sales from the New Stores
Security deposit costs	We propose to establish the New Stores on leased premises, for which we will be required to pay a security deposit to the landlord, as part of the rental and lease arrangement for each store premises

The size of our stores varies across regions and is dependent on various factors such as availability of suitable locations, addressable market, lease rentals and competition within a given region or across regions.

The table below sets forth the total estimated cost for setting-up of such New Stores:

(In ₹ million)

Store category	Proposed number of stores (A)	Capital expenditure for fit-out costs per store* (B)	Inventory costs per store* (C)	Security deposit costs per store (D)	Total costs (A) * {(B) + (C) + (D)}
Metro	61	5.04	5.51	1.23	718.58
Mochi	60	5.15	5.38	1.21	704.40
Walkway	45	2.82	3.26	0.60	300.60
Crocs	94	2.77	2.11	0.76	530.16
Total					2,253.74

* Including applicable GST.

Further, set out below is the average cost per store for setting up stores under the brands Metro, Mochi, Walkway, and Crocs in the last three Fiscals:

(In ₹ million)

Store category	Capital expenditure for fit-out costs per store*	Inventory cost per store*	Security deposit per store*
Metro	4.94	5.51	1.23
Mochi	5.11	5.38	1.21
Walkway	3.32	3.26	0.60
Crocs	2.57	2.11	0.76

* As per the certificate dated December 15, 2021 from M.P. Chitale & Co., Chartered Accountants

Note:

- Representative per store average fit-out cost has been arrived at by excluding shop in shops, franchise stores and also stores in which fit-out investment is made by retail agents as per agreed commercial terms.
- Representative average inventory cost per store and security deposit per store has been arrived at by excluding shop in shops and franchise stores, as investment in these stores is lower than a normal company owned and company operated store.
- Inventory cost per store & Fitout cost per store is arrived by applying GST @ 18%.

Methodology for computation

Our estimated costs for opening of the New Stores are based on (i) valid and existing quotation dated November 26, 2021 from Rajiv Parekh, Architect, for the purposes of capital expenditure for fit-out costs, (ii) average of the costs incurred by the Company towards store inventory at the time of setting up new stores under the Metro, Mochi, Walkway and Crocs brands, in Fiscal 2021, Fiscal 2020 and Fiscal 2019 (including taxes), for the purposes of inventory costs, and (iii) average of the cost incurred by the Company towards payment of security deposits at the time of setting up new stores under the Metro, Mochi, Walkway and Crocs brands, in Fiscal 2021, Fiscal 2020 and Fiscal 2019, for the purposes of security deposit costs.

A detailed breakdown of these estimated costs, and the methodology for computation, is as follows:

Capital expenditure for fit-out costs

As per the quotation dated November 26, 2021, from Rajiv Parekh, Architect, the estimated average size of stores, under the various brands, are as follows:

Store format	Average estimated size per store (in sq. ft.)
Metro	1,600.00
Mochi	1,500.00
Walkway	1,350.00
Crocs	600.00

The above estimated store size is based on our past experience, and historical data such as size of existing stores under the respective brands.

A detailed store wise break-down of the capital expenditure for fit-out costs is as follows:

A. Stores incorporated under the “Metro” brand

As per the quotation dated November 26, 2021 from Rajiv Parekh, Architect, the details of the fit-out costs for the stores to be opened under the “Metro” brand, with an average store size of 1,600 sq. ft, have been set forth in the table below:

Sr. No.	Particulars	Average estimated fit-out cost	
		Total cost per store (in ₹ Million)	(in ₹ per sq. feet)
1.	Furniture, gypsum ceiling, painting, fittings, interiors & civil finishing	1.37	856
2.	Modular fixtures, fittings & signage	1.26	788
3.	Air conditioning and ventilation (equipment, fitting, piping and ducting, as applicable)	0.28	173
4.	Office equipment (including computer systems, close circuit cameras, etc.)	0.12	76
5.	Electrical cabling, wiring & light fittings	0.52	327
6.	Generators and other items	0.26	160
7.	Other miscellaneous costs, which include Design fees & transportation	0.46	288
	Sub-total	4.27	2,669
8.	GST at 18%	0.77	-
	Total	5.04	-

Notes:

- Above quotation is valid for an average store size of 1,600 sq. ft. and for a period of 6 months from November 26, 2021.
- Please note that depending on changes in store size and actual store specific requirements overall quotation may vary.

B. Stores incorporated under the “Mochi” brand

As per the quotation dated November 26, 2021 from Rajiv Parekh, Architect, the details of the fit-out costs for the stores to be opened under the “Mochi” brand, with an average store size of 1,500 sq. ft. have been set forth in the table below:

Sr. No.	Particulars	Average estimated fit-out cost	
		Total cost per store (in ₹ Million)	Total cost per store (in ₹ per sq. feet)
1.	Furniture, gypsum ceiling, painting, fittings, interiors & civil finishing	1.32	878
2.	Modular fixtures, fittings & signage	1.38	922
3.	Air conditioning and ventilation (equipment, fitting, piping and ducting, as applicable)	0.28	185
4.	Office equipment (including computer systems, close circuit cameras, etc.)	0.12	81
5.	Electrical cabling, wiring & light fittings	0.55	366
6.	Generators and other items	0.25	171
7.	Other miscellaneous costs, which include Design fees & transportation	0.46	307
	Sub-total	4.36	2,909
8.	GST at 18%	0.79	-
	Total	5.15	-

Notes:

- Above quotation is valid for an average store size of 1,500 sq. ft. and for a period of 6 months from November 26, 2021.
- Please note that depending on changes in store size and actual store specific requirements overall quotation may vary.

C. Stores incorporated under the “Walkway”

As per the quotation dated November 26, 2021 from Rajiv Parekh, Architect, the details of the fit-out costs for the stores to be opened under the “Walkway”, with average store size 1,350 sq. ft, have been set forth in the table below:

Sr. No.	Particulars	Average estimated fit-out cost	
		Total cost per store (in ₹ Million)	Total cost per store (in ₹ per sq. feet)
1.	Furniture, gypsum ceiling, painting, fittings, interiors & civil finishing	0.69	513
2.	Modular fixtures, fittings & signage	0.50	369
3.	Air conditioning and ventilation (equipment, fitting, piping and ducting, as applicable)	0.20	152
4.	Office equipment (including computer systems, close circuit cameras, etc.)	0.12	91
5.	Electrical cabling, wiring & light fittings	0.45	332
6.	Generators and other items	0.14	101
7.	Other miscellaneous costs, which include Design fees & transportation	0.29	211
	Sub-total	2.39	1,769
8.	GST at 18%	0.43	-
	Total	2.82	

Note:

- Above quotation is valid for an average store size of 1,350 sq. ft. and for a period of 6 months from November 26, 2021.
- Please note that depending on changes in store size and actual store specific requirements overall quotation may vary.

D. Stores incorporated under the “Crocs” brand

As per the quotation dated November 26, 2021 from Rajiv Parekh, Architect, the details of the fit-out costs for the stores to be opened under the “Crocs”, with average store size 600 sq. ft, have been set forth in the table below:

Sr. No.	Particulars	Average estimated fit-out cost	
		Total cost per store (in ₹ Million)	Total cost per store (in ₹ per sq. feet)
1.	Furniture, gypsum ceiling, painting, fittings, interiors & civil finishing	0.59	981
2.	Modular fixtures, fittings & signage	0.71	1,189

Sr. No.	Particulars	Average estimated fit-out cost	
		Total cost per store (in ₹ Million)	Total cost per store (in ₹ per sq. feet)
3.	Air conditioning and ventilation (equipment, fitting, piping and ducting, as applicable)	0.19	320
4.	Office equipment (including computer systems, close circuit cameras, etc.)	0.10	165
5.	Electrical cabling, wiring & light fittings	0.35	579
6.	Generators and other items	0.13	214
7.	Other miscellaneous costs, which include Design fees & transportation	0.28	458
	Sub-Total	2.35	3,908
8.	GST at 18%	0.42	-
	Total	2.77	-

Notes:

- Above quotation is valid for an average store size of 600 sq. ft. and for a period of 6 months from November 26, 2021.
- Please note that depending on changes in store size and actual store specific requirements overall quotation may vary.

All quotations received from the Rajiv Parekh, Architect mentioned above are valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any architects, contractors or vendors for the matters set out above. There can be no assurance that the estimates received will not change at the time of entering into definitive agreements with them, and consequently there can be no assurance that we will enter into definitive agreements with the same contractors and vendors from whom we have received such estimates.

Inventory costs

These costs would include, inter alia, costs for procuring stock and product portfolios for sale in our stores, and applicable taxes. The total average estimated cost per store is based on the average of the cost incurred by the Company towards store inventory at the time of setting up new stores under the Metro, Mochi, Crocs and Walkway brands, in Fiscal 2021, Fiscal 2020 and Fiscal 2019.

Particulars	Total number of stores (A)	Total estimated costs per store (in ₹ Million) (B)	Total costs (in ₹ Million) (C) = (A) * (B)*
Metro	61	5.51	336.11
Mochi	60	5.38	322.80
Walkway	45	3.26	146.70
Crocs	94	2.11	198.34
Total			1,003.95

* As per the certificate dated December 15, 2021 from M.P. Chitale & Co., Chartered Accountants

Security deposit costs

We typically acquire the premises for our stores on a leasehold basis, pursuant to various lease agreements which are entered into between our Company and the real estate owners. In terms of such lease agreements, we are required to furnish an interest free security deposit to the respective lessors, for the duration of the lease.

We propose to acquire the premises for all proposed new stores on a leasehold basis. The total average estimated cost per store is based on the average of the cost incurred by the Company towards payment of security deposits at the time of setting up new stores under the Metro, Mochi, Walkway and Crocs brands, in Fiscal 2021, Fiscal 2020 and Fiscal 2019.

The total estimated costs for payment of security deposit are as follows:

Particulars	Total number of stores (A)	Total estimated costs per store (in ₹ Million) (B)	Total costs (in ₹ Million) (C) = (A) * (B)*
Metro	61	1.23	75.03
Mochi	60	1.21	72.60
Walkway	45	0.60	27.00
Crocs	94	0.76	71.44
Total			246.07

*As per the certificate dated December 15, 2021 from M.P. Chitale & Co., Chartered Accountants.

Government Approvals

Our stores have to be registered under the shops and establishments legislations of the states where they are located. We will apply for such approvals in the ordinary course and in accordance with applicable laws. There shall not be any variation in deployment of funds in the event there is a delay in receipt of the applicable approvals. For details of laws applicable and approvals required for the New Stores, see “*Key Regulations and Policies in India*” and “*Government and Other Approvals*” on pages 178 and 337.

2. General Corporate Purposes

We propose to deploy the balance Net Proceeds aggregating to ₹ 2,849.34 million (net of expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilise the Net Proceeds include meeting day to day expenses such as payment of salary and allowances, purchase of inventory for existing stores, store rentals, advertising expenses, long term or short term working capital requirements, or other activities in the ordinary course of business. In addition to the above, we may utilise the Net Proceeds towards other expenditure in the ordinary course of business, as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

Means of Finance

The funding requirements for opening of our new stores are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75.0% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25.0% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising the requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilisation of funds earmarked for the purpose set forth above, increased funding requirements for a particular purpose may be financed by surplus funds, if any, available in respect of other purposes for which funds are being raised in the Fresh Issue. For further details, see “*Risk Factors – Any variation in the utilisation of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.*” on page 48.

We may vary the Objects in the manner provided in “*Objects of the Offer – Variation in Objects*” on page 111.

Interim use of Net Proceeds

We, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

We have not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ 466.62 million. The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses* (₹ in million)	As a % of total estimated Offer related expenses ⁽¹⁾	As a % of Offer size
Fees payable to the BRLMs including underwriting commission, brokerage and selling commission, as applicable	161.16	34.54%	1.18%
Advertising and marketing expenses	71.87	15.40%	0.53%
Printing and stationery expenses	18.26	3.91%	0.13%
Fees payable to Registrar to the Offer	9.68	2.07%	0.07%
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (1)(2)(3)(4)(5)	60.13	12.89%	0.44%
Others (Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses, fees for the legal counsel, Statutory Auditor, and the Independent Chartered Accountant appointed for providing confirmations and certificates for the purpose of the Offer, the practising company secretary who conducted a search of the RoC and issued a certificate confirming that certain corporate records are not traceable, CRISIL Limited for preparing the industry report commissioned by our Company, the virtual data room provider in connection with due diligence for the Offer, etc.) (including GST)	145.53	31.19%	1.06%
Total estimated Offer expenses	466.62	100.00%	3.41%

*including applicable taxes

⁽¹⁾ Selling commission payable to the SCSBs on the portion of Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No additional bidding charges shall be payable by the Company and Selling Shareholders to the SCSBs on the applications directly procured by them

⁽²⁾ Processing fees payable to the SCSBs on the portion for Retail Individual Bidder and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to SCSB for blocking would be as follows:

Portion for Retail Individual Bidders*	₹ 10 per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ 10 per valid application (plus applicable taxes)

* For each valid application

⁽³⁾ Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by Syndicate Member (including their sub Syndicate Members) would be as follows:

Portion for Retail Individual Bidders*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

⁽⁴⁾ Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the Registered Brokers, RTAs/CDPs would be as follows:

Portion for Retail Individual Bidders*	0.35% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.15% of the Amount Allotted (plus applicable taxes)

* Based on valid applications.

* Amount of selling commission payable to Registered Brokers, RTAs/CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which RTAs/CDPs the commission is payable to, the terminal from which the bid has been uploaded will be taken into account.

⁽⁵⁾ The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows

Payable to Members of the Syndicate including their sub-Syndicate Members/ RTAs / CDPs	₹30 per valid application (plus applicable taxes)
Sponsor Bank	₹7 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Monitoring Agency

Our Company has appointed ICICI Bank Limited as the monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Net Proceeds, including interim, use under a separate head in our balance sheet for such fiscals as required under applicable law, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such unutilised Net Proceeds.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company or by an independent chartered accountant. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. For the purpose of the quarterly report of the Monitoring Agency, our Company shall provide item by item description for all the expense heads under each object of the Offer. Our Company shall also, in the quarterly notes to accounts of the financial statements, include the employment of Net Proceeds under various expense heads.

Variation in Objects

In accordance with the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013 and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the regional language of the jurisdiction where our Registered Office is located. In accordance with the Companies Act, 2013, our Promoter will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations. For further details, see "*Risk Factors – Any variation in the utilisation of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.*" on page 48.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, and our Key Managerial Personnel, and except in the normal of course of business and in compliance with applicable law, to our Group Companies. Except in the normal course of business and in compliance with applicable law, there are no

existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoter, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies.

BASIS FOR OFFER PRICE

The Offer Price is determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Offer Price is 100 times the face value.

Bidders should read the below mentioned information along with “*Our Business*”, “*Risk Factors*”, “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 153, 29, 211 and 282, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

1. One of India's largest pan India footwear retailers with a brand appeal among aspirational consumer segments in the fast-growing footwear retail industry;
2. Wide range of brands and products catering to all occasions across age groups and market segments resulting in strong customer loyalty;
3. Efficient operating model through deep vendor engagements and TOC based supply chain;
4. Asset light business with an efficient operating model leading to sustained profitable growth;
5. Presence across multiple formats and channels;
6. Platform of choice for third party brands looking to expand in India;
7. Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership; and
8. Strong track record of growth, profitability and financial discipline.

For further details, see “*Our Business – Competitive Strengths*” on page 155.

Quantitative Factors

Certain information presented below, relating to our Company, is derived from the Restated Consolidated Financial Information. For further details, see “*Financial Information*” on page 211.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”) at face value of ₹ 5, as adjusted for changes in capital:

As derived from the Restated Consolidated Financial Information:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
September 30, 2021 *	1.62	1.62	
September 30, 2020*	(1.62)	(1.62)	
Financial Year 2021	2.43	2.43	3
Financial Year 2020	6.05	6.05	2
Financial Year 2019	5.75	5.75	1
Weighted Average	4.19	4.19	

*Not annualised

Notes:

Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders

Weighted average number of equity shares outstanding during the period

Diluted EPS = Restated consolidated net profit after tax for the year / period

Weighted average number of diluted equity shares and potential equity shares outstanding during the period

Notes:

(1) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*

(2) *The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.*

(3) *The face value of each Equity Share is ₹5 each.*

(4) *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*

⁽⁵⁾ The above statement should be read with Significant Accounting Policies and the Notes to the Restated Consolidated Financial Information as appearing in “Financial Information” on page 211.

2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ 485 to ₹ 500 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on Basic EPS for September 30, 2021*	299.38	308.64
Based on Diluted EPS for September 30, 2021*	299.38	308.64
Based on Basic EPS for Financial Year 2021	199.59	205.76
Based on Diluted EPS for Financial Year 2021	199.59	205.76

* Not annualised

Industry P/E ratio

	P/E Ratio
Highest	118.81
Lowest	NA
Industry Composite	NA

Notes:

- (1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see “– Comparison of Accounting Ratios with Listed Industry Peers” on page 115.
- (2) The industry P/E ratio mentioned above is as on financial year ended March 31, 2021.
- (3) Since P/E Ratio of one of the peers cannot be calculated, hence lowest and industry composite P/E ratio cannot be derived.

3. Average Return on Net Worth (“RoNW”)

As derived from the Restated Consolidated Financial Information of our Company:

Particulars	RoNW %	Weight
September 30, 2021*	4.94	
September 30, 2020*	(5.40)	
Financial Year 2021	8.24	3
Financial Year 2020	19.41	2
Financial Year 2019	22.75	1
Weighted Average	14.38	

*Not annualised

Notes:

Return on Net Worth (%) = $\frac{\text{Net profit after tax, as restated, attributable to the owners of the company}}{\text{Net-worth, as restated during the period (Equity attributable to the owners of the company)}}$

- Net Worth means the aggregate value of the paid-up share capital, securities premium, general reserve, capital reserve, employee stock options outstanding reserve, and retained earnings (including other comprehensive income) attributable to owners of the company as restated.
- The figures disclosed above are based on the Restated Consolidated Financial Information of our Company

For details in relation to the reconciliation of return on restated net worth, see “Other Financial Information - Reconciliation of non-GAAP measures - Reconciliation of restated net worth and return on restated net worth” on page 279.

4. Net Asset Value per Equity Share

Net Asset Value per Equity Share	(₹)
As on September 30, 2021	31.64
After the Offer	
At Cap Price	41.93
At Floor Price	41.90
Offer Price	41.93

Notes:

Net Asset Value per share = $\frac{\text{Net Asset Value (Net-worth), as restated}}{\text{Number of equity shares outstanding during the period}}$

For details in relation to the reconciliation of return on restated net worth, see “Other Financial Information - Reconciliation of non-GAAP measures - Reconciliation of net asset value per equity share” on page 279.

5. Comparison of Accounting Ratios with Listed Industry Peers

Name of the company	Total income (₹ in million)	Face value per equity share (₹)	Closing price on November 16, 2021 (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV (₹ per share)
Metro Brands Limited	8,785.38	5.00	-	-	2.43	2.43	8.24	31.17
Bata India Limited	18,025.65	5.00	2,201.35	N.A	(6.95)	(6.95)	(5.08)	136.79
Relaxo Footweares Limited	23,819.20	1.00	1,392.50	118.81	11.74	11.72	18.54	63.29

Source for Industry Peer information included above:

- i. Closing NSE price of these equity shares as on November 16, 2021 obtained from NSE website
- ii. All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual results of the company for the year ended March 31, 2021.
- iii. All the financial information for Metro Brands Limited mentioned above is on a consolidated basis from the Restated Consolidated Financial Information for the year ended March 31, 2021.

The Offer Price is 100 times of the face value of the Equity Shares. The Offer Price of ₹ 500 is determined by our Company and Promoter Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in “Risk Factors” on page 29 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO METRO BRANDS LIMITED (FORMERLY KNOWN AS METRO SHOES LIMITED) (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

15 December, 2021

To

The Board of Directors

Metro Brands Limited (Formerly known as Metro Shoes Limited)

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

Dear Sirs,

SUB: STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE DIRECT AND INDIRECT TAX LAWS

We refer to the proposed initial public offering of equity shares (the “**Offer**”) of Metro Brands Limited (“**Metro**” or “**the Company**”). We enclosed herewith the statement (the “**Annexure**”) showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws, including the Income Tax Act, 1961 (the “**IT Act**”), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as “**Taxation laws**”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2022-23 relevant to the financial year 2021-22 for inclusion in the Prospectus for the Offer as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect tax laws, including the Income Tax Act, 1961. Hence, the ability of the Company or its shareholders to derive these direct and/or indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain these benefits in future; and
- The conditions prescribed for availing the benefits have been/would be met.

We hereby give our consent to include this report and the enclosed Annexure regarding the special tax benefits available to the Company and its shareholders in the Prospectus for the Offer which the Company intends to submit to the Securities and Exchange Board of India and the stock exchanges where the equity shares of the Company are proposed to be listed, provided that the below statement of limitation is included in the Prospectus.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of Taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the Annexure.

This statement has been prepared solely in connection with the Offer of the Company under the ICDR Regulations.

FOR DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm Registration No. 117365W)

KETAN VORA

(Membership No. 100459)
UDIN: 21100459AAAAPA4401

Mumbai
15 December, 2021

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO METRO BRANDS LIMITED (FORMERLY KNOWN AS METRO SHOES LIMITED) (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY (“SHAREHOLDERS”) UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

The information provided below sets out the possible special direct and indirect tax benefits available to Metro Brands Limited (“Metro” or the “Company”) and the Shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Tax Laws, as presently in force in India. Several of these benefits are dependent on the Company and the Shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the Company and the Shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives, the Company or the Shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE FACT THAT CERTAIN RECENTLY ENACTED LEGISLATION MAY NOT HAVE A DIRECT LEGAL PRECEDENT OR MAY HAVE A DIFFERENT INTERPRETATION ON THE BENEFITS, WHICH AN INVESTOR CAN AVAIL IN THEIR PARTICULAR SITUATION.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

The statement of tax benefits enumerated below is as per the Income tax Act, 1961 (the “IT Act”) as amended from time to time and applicable for financial year 2021-22 relevant to assessment year 2022-23.

Lower Corporate tax rate under Section 115BAA

A new section 115BAA has been inserted in the IT Act by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. 1 April 2020 (i.e. Assessment Year 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the IT Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the IT Act further provides that domestic companies availing the option will not be required to pay minimum alternate tax (“MAT”) on their ‘book profits’ under section 115JB of the IT Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the IT Act and will also need to comply with other conditions specified in section 115BAA of the IT Act. Further, if a company opts for section 115BAA, the tax credit under section 115JAA, if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. In addition to above, it shall not be allowed to claim set-off of any brought forward losses arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the IT Act) with effect from Financial Year 2019-20.

DEDUCTIONS FROM GROSS TOTAL INCOME - SECTION 80 JJAA

Section 80JJAA has been amended vide Finance Act, 2016 to extend employment generation incentives across all sectors. Section 80JJAA provides deduction in respect of employment of new employees, subject to fulfilment of prescribed conditions. The Company is entitled to claim deduction, under the provisions of section 80JJAA of the IT Act, of an amount equal to 30% of additional employee cost (relating to specified category of employees, i.e. whose total emoluments are less than or equal to INR 25,000/- per month) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

The Company has been claiming deduction under section 80JJAA with effect from Financial Year 2016-17.

DEDUCTION IN RESPECT OF INTER-CORPORATE DIVIDENDS - SECTION 80M

Up to 31 March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“DDT”) and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT has been abolished and dividend received by a shareholder on or after 1 April 2020, is liable to tax in the hands of the shareholder. The Company is required to deduct tax at source at applicable rate specified under the IT Act read with applicable Double Taxation Avoidance Agreement with Foreign Resident Country of the Shareholder (if any).

With respect to a resident corporate shareholder, a new section 80M has been inserted in the IT Act to remove the cascading effect of taxes on inter-corporate dividends for Financial Year 2020-21 and subsequent years. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The ‘due date’ means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the IT Act.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

- Dividend income earned by the Shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under section 80M of the IT Act would be available on fulfilling the relevant conditions. Further, in case of Shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.
- As per section 112A of the IT Act, long-term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains, subject to fulfillment of prescribed conditions under the IT Act and as per Notification No. 60/2018/F.No.370142/9/2017-TPL dated 1 October 2018. It is to be noted that tax shall be levied where such capital gains exceed INR 1,00,000/-.
- As per section 111A of the IT Act, short term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the IT Act.
- IN RESPECT OF NON-RESIDENT SHAREHOLDERS, THE TAX RATES AND THE CONSEQUENT TAXATION SHALL BE FURTHER SUBJECT TO ANY BENEFITS AVAILABLE UNDER THE APPLICABLE DOUBLE TAXATION AVOIDANCE AGREEMENT, IF ANY, BETWEEN INDIA AND THE COUNTRY IN WHICH THE NON-RESIDENT HAS FISCAL DOMICILE.

Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the IT Act.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975, Foreign Trade policy, State Industrial Policies (collectively referred to as “Indirect tax”).

A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special Indirect Tax benefits available to the Company

B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special Indirect Tax benefits available to the shareholders of the Company

Note: We have not considered general tax benefits available to the Company or shareholders of the Company.

For Metro Brands Limited

Director

15 December, 2021

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

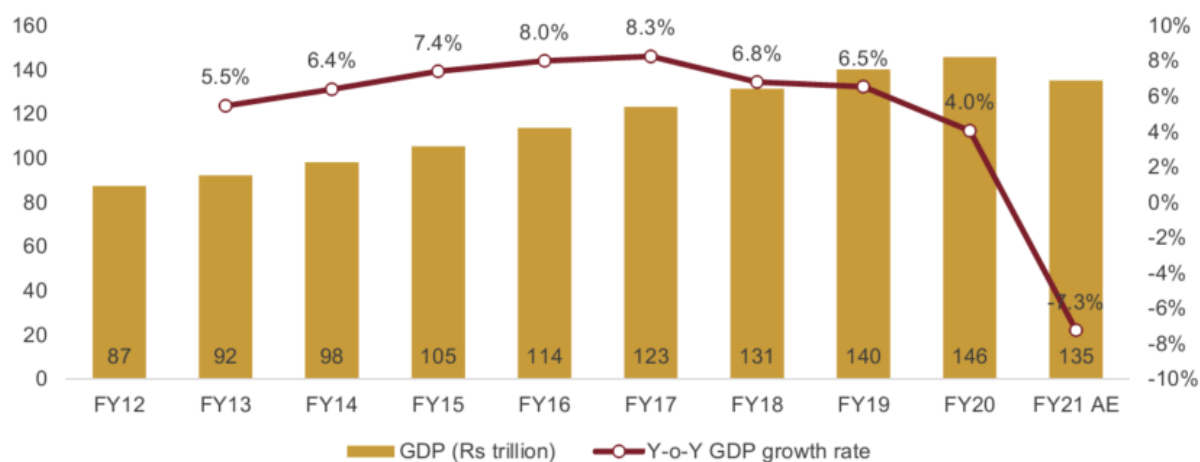
Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Assessment of organised retail and footwear industries in India” dated August 2021 with Addendum dated November 2021 (the “CRISIL Report”), prepared and issued by CRISIL Limited appointed on May 5, 2021, exclusively commissioned and paid for by our Company in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. A copy of the CRISIL Report is available on website of our Company at <https://metrobrands.com/corporate-governance/>. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

While preparing its report, CRISIL has also sourced information from publicly available sources, including our Company's financial statements available publicly. However, financial information relating to our Company presented in other sections of this Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Prospectus.

Macro-economic overview of India

Review of India's GDP growth

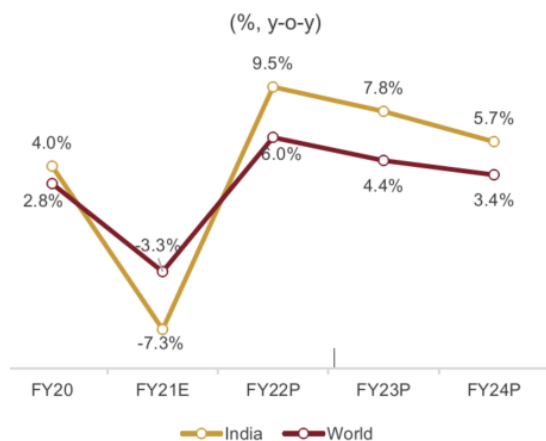
Real GDP growth in India (new GDP series)



PE: Provisional estimates; P: Projections

Source: Second advance estimates of national income 2020-2021, Central Statistics Office (CSO), MoSPI, CRISIL Research

In next three fiscals, India's growth to be greater than the global GDP



GDP growth to rebound to 9.5% this fiscal on the back of a very weak base and the rising-global-tide effect

CRISIL sees India's GDP growth rebounding to 9.5% this fiscal due to a very weak base, flattening of the Covid-19 curve, rollout of vaccinations, investment-focused government spending, and benefit from the 'rising global tide lifts all boats' effect. Yet, the economy is expected to reach pre-pandemic levels only by the second quarter of this fiscal. Services will take longer to recover than manufacturing. Beyond fiscal 2022, India is seen growing faster than the world. Over fiscals 2023-25, growth is seen averaging at ~6.0% annually.

*Note: Forecasts for World are for calendar year; Fiscal 2020 corresponds to 2019 and so on; P: Projected; India numbers for Fiscal 2020 and Fiscal 2021 are based on MoSPI's latest GDP estimates and FY22 onwards are CRISIL Research's forecast. World GDP growth rates are from IMF world economic outlook update as of April 2021
Source: S&P Global Ratings, CRISIL*

CRISIL forecasts India's GDP growth to rebound to 9.5% in fiscal 2022 as four drivers converge:

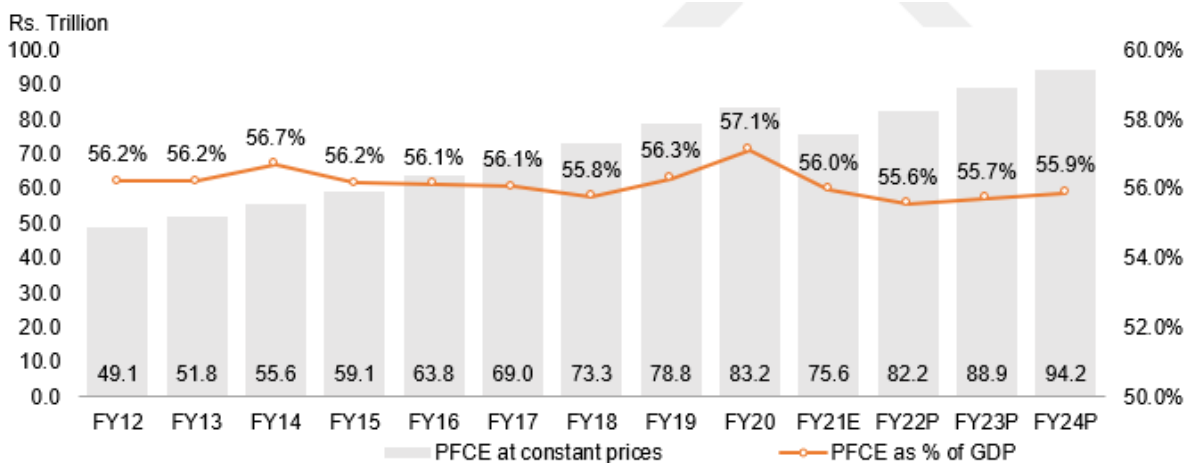
- Weak base: A 7.3% contraction in GDP in fiscal 2021 will provide a statistical push to growth next fiscal.
- Global upturns: Higher global growth in 2021, i.e., world GDP up by 5.0%, advanced economies 4.3%, emerging economies 6.3%, should lift exports.
- COVID-19 curve: India is witnessing the second wave of Covid-19 infections and at the same time learning to live with the virus, with the rollout of vaccines. These should broaden growth this fiscal, especially in the services and unorganised sectors.
- Fiscal push: Stretch in the fiscal glide path and focus of the Union Budget 2021-22 on capex are expected to have a multiplier effect on growth.

Review of private final consumption growth

Private final consumption expenditure to maintain dominant share in GDP

Private final consumption expenditure (PFCE) at constant prices recorded a CAGR of 6.8% between Fiscal 2012 and 2020, maintaining its dominant share in the GDP, at approximately 57% or ₹ 83.3 trillion. Factors contributing to this growth included good monsoons, wage revisions due to the implementation of the Pay Commission's recommendations, benign interest rates, and low inflation. PFCE declined in Fiscal 2021 on account of the pandemic, where consumption demand was impacted on account of strict lockdown, employment loss, limited disposable spending and disruption in demand-supply dynamics.

PFCE (at constant prices)



P: Projected

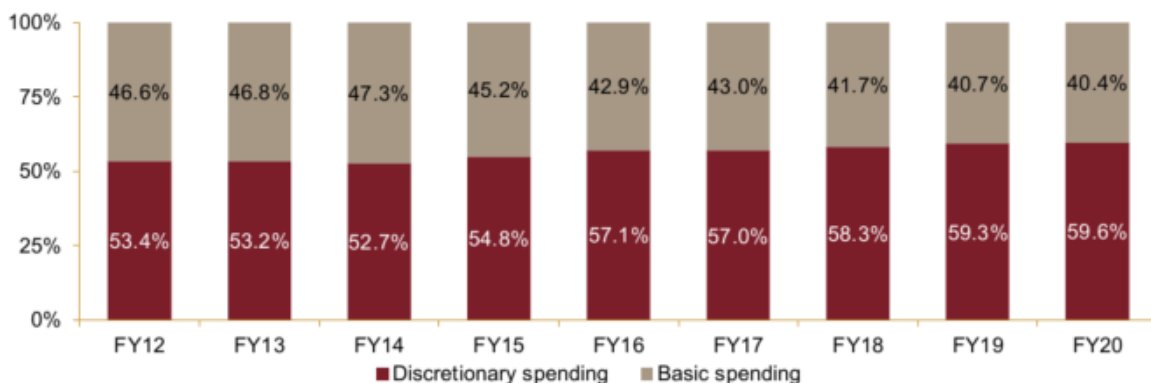
E: Estimated

Source: Second advance estimates of national income 2020-2021, CSO, MoSPI, CRISIL Research

Consumption expenditure to be driven by discretionary items

According to CRISIL Research, basic items accounted for 40.4% of the total consumption expenditure of Indian consumers in Fiscal 2020, with discretionary items accounting for the remainder 59.6%. It is worth noting that the share of discretionary items in consumption increased to 59.6% in Fiscal 2020 from 53.4% in Fiscal 2012. The increased spending on discretionary items suggests rising disposable income of households.

Broad split of PFCE consumption into basic and discretionary spending



Note: Basic items include food, clothing and housing. Discretionary items include education, healthcare, electricity, water supply, footwear, personal care products, processed foods, alcoholic and non-alcoholic beverages, tobacco, narcotics, fuel and gas, furnishing and household equipment, vehicle and personal transportation, spending on recreation and culture, communication, restaurants and hotels, financial insurance and other financial services, and other items not elsewhere classified (n.e.c.)

Source: MoSPI, CRISIL Research

India's discretionary spending is lower than that of advanced economies such as the US and the UK, and is expected to grow with a rise in per capita income. In 2012, discretionary items formed approximately 75% share of spending for both the US and the UK, compared with approximately 53% for India. The share increased to approximately 76% for the US, 77% for the UK and 55% for India in 2017, and was 73%, 74% and 56%, respectively, in 2019. With the Indian economy advancing and household disposable income rising, the share of discretionary spending is expected to increase and drive growth in overall consumption expenditure.

Assessment of Retail Industry in India

Improving economy coupled with low to moderate inflation to drive growth in the Indian retail industry

The approximately ₹ 62 trillion (in 2019 to 2020) Indian retail industry is dependent on disposable income, affordability, and consumer sentiment. Low inflation, lower interest rates, favourable economic growth positively influences consumer disposable income and sentiment, which improves retail spending. The Indian economy's

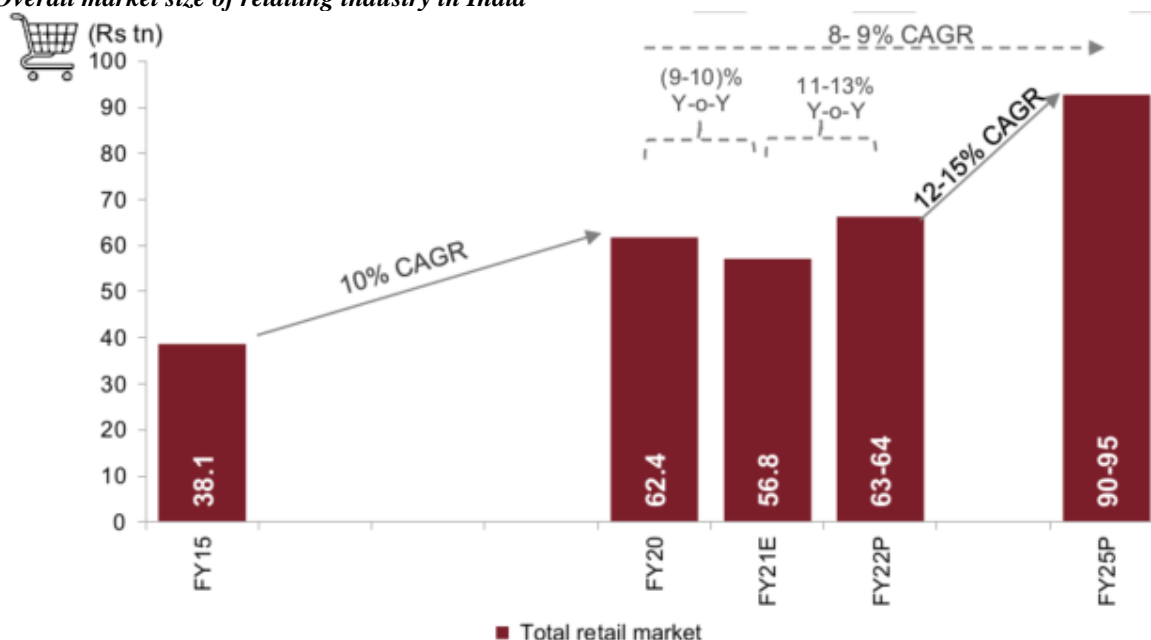
GDP grew at a slower pace of 4.2% in Fiscal 2020. With implementation of nationwide lockdown on account of COVID-19, retail consumption took a hit and thus, overall retail grew at a slower pace of 7.5% in Fiscal 2020.

Retail sector is expected to decline in Fiscal 2021 in line with decline in GDP and PFCE. According to advance estimate by government, PFCE is estimated to shrink 6% in Fiscal 2021. The impact of COVID-19 can be divided into two segments - on essential and non-essential goods. Essential products (especially food, grocery) witnessed normal growth. However, non-essential goods were adversely impact as a result of the restrictions imposed on its sale. As essentials (food, grocery and pharmacy) form around 60% of overall retail, the decline of overall retail is expected to be restricted to 9% to 10%.

CRISIL Research expects India's real GDP to rebound to 9.5% in Fiscal 2022, as four drivers - people learning to live with the new normal, flattening of the COVID-19 affliction curve, rollout of vaccinations, and investment focussed government spending- converge. The retail sector too is expected to witness 11% to 13% growth in Fiscal 2022 (compared to Fiscal 2021). This growth rate is lower than previously estimated due to the stringent restrictions placed on account of the second wave of COVID-19.

In the long run, growth is expected to accelerate at a CAGR of 8% to 9%, as economic activity picks up and inflation remains in low to moderate range. Suppressed demand along with better economic outlook are expected to boost consumer sentiment and drive-up discretionary spending. Improved investment by large retailers is expected to further propel retail growth.

Overall market size of retailing industry in India



E: Estimated P: Projected
Source: CRISIL Research

Segment-wise share of retailing industry in India

The segment-wise share of retailing industry in India, namely, food and grocery, apparel, footwear, home decor, consumer durables, etc. are detailed below:

- **Food and grocery – segment to maintain its dominant share in Indian retail industry** – Food and grocery is retail market's largest vertical at ₹ 36 trillion (approximately 58% of total retail industry) as of Fiscal 2020. The category is expected to amount to ₹ 52.3 trillion by Fiscal 2025, growing at a CAGR of approximately 9.6% from Fiscal 2021 to 2025 on account of the low base in Fiscal 2021 due to the pandemic. Increase in disposable incomes along with changing food preferences and adoption of ready-to-eat as well as processed foods due to convenience is expected to drive growth in this segment.
- **Apparel – segment to grow at a CAGR of approximately 20% during Fiscal 2021 to 2025, on account of low base year in Fiscal 2021 due to the pandemic** – The apparel segment which is currently estimated at ₹ 5.6 trillion as of Fiscal 2020 comprises approximately 9% market share in overall Indian retail. The segment is characterized by high margins as low procurement costs enables competitive pricing for customers

and better margins for the retailer. The segment also offers retailers the opportunity to introduce 'private labels' (product exclusive to a retailer). The segment is expected to grow at a CAGR of approximately 20% between Fiscal 2021 and Fiscal 2025 and amount to an estimated ₹ 8.2 trillion by Fiscal 2025, backed by enablers such as release of suppressed demand from the pandemic, increasing disposable incomes, greater awareness about changing trends and higher aspirations, especially among the younger generations.

- **Footwear – Segment witnessing an attitudinal shift** – The Indian footwear industry has witnessed increase in activity over the last few years, with the changing consumer attitude towards footwear. Shoes, initially positioned as a value purchase, are now transcending into a lifestyle purchase. The demand for athleisure and sportswear is specifically expected to increase post the pandemic due to an increased awareness about healthy living amongst the urban youth. The footwear segment comprises approximately 1.5% share of total retail industry as of Fiscal 2020. Like the apparel segment, the footwear segment is characterised by fashion designs and trends, high margins and presence of private labels. The segment is estimated at ₹ 1 trillion as of Fiscal 2020. The segment witnessed a decline of approximately 31% in Fiscal 2021 due to the lockdown restrictions imposed throughout the country to fight the coronavirus pandemic. Going forward, CRISIL Research expects growth momentum to pick up and the segment to reach an estimated ₹ 1.4 trillion by Fiscal 2025, growing at a CAGR of approximately 21% between Fiscal 2021 and 2025.
- **Furniture, home decor and furnishings segment** – In recent years, readymade furniture has been gaining popularity as the Indian middle class upgrades to a better lifestyle and is willing to spend generously on home decor. The segment, which is estimated at ₹ 1.9 trillion (approximately 3% share of total retail industry) as of Fiscal 2020 is expected to grow in at a CAGR of approximately 22% between Fiscal 2021 and 2025 to reach an estimated ₹ 2.8 trillion by Fiscal 2025.
- **Health and pharmaceuticals – Growing health awareness due to COVID-19 to aid growth in this segment** – The size of pharmaceutical products market is estimated at ₹ 1.2 trillion (approximately 2% share of total retail industry) as of Fiscal 2020 and is expected to grow at a CAGR of approximately 14% between Fiscal 2021 and Fiscal 2025 to reach an estimated ₹ 2.2 trillion by Fiscal 2025.
- **Consumer durables, mobiles & IT** – This segment comprises around 5% share in total Indian retail. The segment is valued at approximately ₹ 3.2 billion in Fiscal 2020 but going forward, CRISIL Research expects this momentum to pick up and the segment to increase in value to approximately ₹ 5.8 trillion by Fiscal 2025 (increasing by a CAGR of approximately 16% between Fiscal 2021 and Fiscal 2025)
- **Books and music retailing - Limited to urban areas** – The total share of retail market for book and music is only approximately 1% as of Fiscal 2020, with penetration concentrated in urban areas. The segment is expected to grow moderately from ₹ 0.9 trillion in Fiscal 2020 to ₹ 1.1 trillion in Fiscal 2025, at a CAGR of approximately 20% between Fiscal 2021 and Fiscal 2025.

Category wise share in overall retail

Total Retail market	FY 15	FY 20	FY 21	FY 22P	FY 25P	CAGR FY15-FY20	Y-o-Y FY20-FY21	CAGR FY21-FY25	CAGR FY22-FY25
Segments	Market Size	Market Size	Market Size	Market Size	Market Size				
	Rs Tn	Rs Tn	Rs Tn	Rs Tn	Rs Tn	%	%	%	%
Food and grocery	22.5	36.0	36.2	37.7	52.3	9.9%	0.6%	9.6%	11.5%
Apparel	4.0	5.6	3.9	5.8	8.2	7.1%	-31.0%	20.4%	12.5%
Footwear	0.6	1.0	0.7	0.9	1.4	8.8%	-31.3%	21.2%	15.1%
Furniture & Furnishing	1.2	1.9	1.2	1.5	2.8	9.2%	-34.0%	22.4%	23.5%
Pharmacy	0.7	1.2	1.3	1.4	2.2	11.0%	9.9%	13.7%	17.0%
Consumer durables, mobile	1.7	3.2	3.1	3.3	5.8	13.0%	-0.8%	16.1%	20.0%
Books and music	0.7	1.0	1.0	1.1	1.1	7.4%	2.5%	3.1%	2.0%
Others	6.6	12.6	9.3	11.9	19.6	13.5%	-25.6%	20.5%	18.0%
Total	38.1	62.4	56.8	60-65	90-95	10.4%	-8.9%	12-14%	13-15%

Note: P: Projected; others include Jewellery, watches, handbags & other accessories, toiletries, etc.

Source: CRISIL Research

New store roll-outs as well as increasing penetration into tier-II&III cities will propel growth for organised retailers in the longer term

According to CRISIL Research, organised retail typically means large-scale chain stores which are corporatized, apply modern management techniques and have relatively higher level of self-service in nature. E-retail is a part of organised retail while traditional retail includes only brick-and-mortar (B&M). In the past, organised retail grew at a relatively slower CAGR of 16% from Fiscal 2013 to 2017 as a tepid economy controlled disposable income from 2012 to 2015. This lowered consumer spending to a low of 15% in Fiscal 2015. Growth rebounded the next year and organised retailing expanded at 17% on-year in Fiscal 2016. However, growth of the organised retail industry slowed to 15% in Fiscal 2017 with demonetisation putting temporary brake on consumer spending.

Moving on, the first quarter of 2017 to 2018 saw improved growth, with customers preponing their purchases across verticals on account of expected price hike post GST. Increased aggression by online players and increasing investments by organised retailers into new stores further led to growth in Fiscal 2018. Further, GST also led to growth for organised players, as the cost of doing business increased for unorganised players. Thus, organised retail grew at approximately 20% on-year in Fiscal 2018.

Though the first quarter of Fiscal 2019 witnessed organised retail grow at a slower pace on account of a high base, they performed well in the second quarter. Shift of festive season to the third quarter improved demand during the third quarter. However, with consumer sentiment tapering down towards the last quarter of the fiscal, demand was relatively slower. Overall, organised retail grew by approximately 21% on-year in Fiscal 2019.

With consumer sentiment declining, growth in organised retail was adversely impacted in Fiscal 2020. Interaction with apparel manufacturers indicated that lower inventory orders were placed by retailers in the first half of Fiscal 2020. However, the impact on organised players was lower than unorganised ones. Organised retail grew by 16.5% in Fiscal 2020.

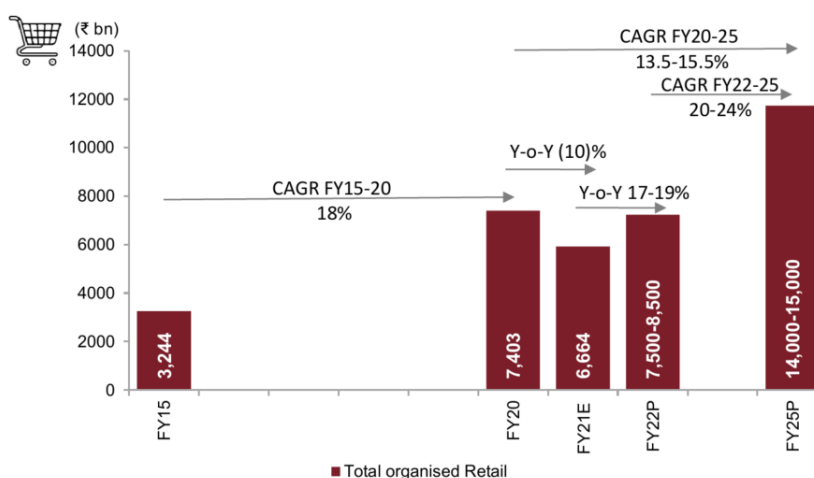
With implementation of nationwide lockdown on account of COVID-19, consumption was affected. Overall, organised retail declined by 65% to 70% in the first quarter. Even after the first quarter, malls operated at low occupancy which put pressure on organised retail. However, with advent of festive season, consumer sentiments improved and demand emanated for organised retail. While decline during the first half of Fiscal 2021 is expected to influence full year growth, release of suppressed demand as the lockdown eases is expected to drive discretionary spending, thereby increasing sales. Share of non-essentials in organised retail is high at around 80%

and the same is expected to reduce by 25% to 27% in Fiscal 2021. This is expected to impact overall organised retail growth with the same estimated to decline by approximately 10% in Fiscal 2021.

RBI's consumer confidence survey indicate that one year ahead perception and expectation on spending improved during the second half of Fiscal 2021. Footfalls have also steadily improved from second half of Fiscal 2021. These indicate improving consumer sentiments. The sector is expected to witness a growth of 17% to 20% in Fiscal 2022 on account of a low base, full year of store operations, higher discretionary spending and waning impact of the pandemic. Non-essential segment which was impacted heavily in Fiscal 2021 is expected to drive growth in Fiscal 2022.

New store roll-outs as well as increasing penetration into tier-II and III cities apart from metros and tier-I is expected to propel growth in longer term. Government's decision to permit 100% foreign direct investment (FDI) in single-brand retail under the automatic route from 49% earlier and relaxation in sourcing norms will boost growth in the longer term. However, significant decline in Fiscal 2021 is likely to influence long term growth and thus organised retail is expected to record a CAGR of 13.5% to 15.5% over Fiscal 2020 to 2025, reaching ₹ 14 trillion to ₹ 15 trillion.

Organised retail to grow at 13.5% to 15.5% CAGR in long term



E: Estimated; P: Projected; Source: CRISIL Research

Organised retail penetration to reach approximately 16% by Fiscal 2025

Organised retail penetration (ORP) is likely to reach approximately 16% in Fiscal 2025 from 12% in Fiscal 2020. Organised retail penetration is expected to be impacted in Fiscal 2021 on account of higher decline in organised retail as compared to overall retail, on account of significantly higher proportion of non-essentials in organised retail as compared to overall retail. However, thereafter, ORP is expected to grow owing to urban consumers moving up the economic ladder, increasing preference for branded products, and the youth becoming more aspirational. Further, GST is also likely to drive market share gains for organised players, as tax arbitrage which used to help unorganized has been reduced. On the supply side, store expansions by existing players and entry of new players would support growth.

Segment-wise share of Organised retailing

Organised Retail market	FY15		FY20		FY21		FY22		FY25P		CAGR FY15-FY20	CAGR FY20-FY21	CAGR FY22-FY25
	Market Size	ORP	Market Size	ORP	Market Size	ORP	Market Size	ORP	Market Size	ORP			
	Rs Bn	%	Rs Bn	%	Rs Bn	%	Rs Bn	%	Rs Bn	%	%	%	%
Food and grocery	501	2%	1,505	4%	1,535	4%	2,016	5%	3,484	7%	25%	2%	20%
Apparel	728	18%	1,697	30%	1,200	31%	1,527	27%	3,128	38%	18%	-29%	27%
Footwear	147	23%	294	31%	229	35%	312	33%	539	38%	15%	-22%	20%
Furniture & Furnishing	65	5%	147	8%	106	8%	140	9%	257	9%	18%	-28%	23%
Pharmacy	51	7%	101	8%	150	11%	180	13%	414	19%	15%	49%	32%
Consumer durables	814	47%	1,767	55%	1,950	61%	1,910	57%	3,469	60%	17%	10%	22%
Books and music	48	7%	50	5%	20	2%	28	3%	69	6%	1%	-60%	35%
Others	890	13%	1,844	15%	1,475	16%	1,808	15%	3,204	16%	16%	-20%	21%
Total	3,244	9%	7,403	12%	6,664	12%	7,800-8100	12-14%	14,000-15,000	16%	18%	-10%	22-24%

Note: P: Projected; others include Jewellery, watches, handbags & other accessories, toiletries, etc.

ORP: Organised retail penetration

Source: CRISIL Research

E-retailing industry in India

E-retailing to grow at a faster pace as compared to traditional B&M formats by Fiscal 2025

Development of organised retail has led to the emergence of several retailing formats. A retail format refers to the overall appearance, layout, product mix and pricing strategy followed by a retailer in a particular store. Over the years, the retail sector has undergone a transition from the traditional 'kirana' format to the more organised convenience stores and supermarkets. Providing a good shopping experience for consumers and offering several choices under one roof are key drivers for organised retailing in the country. Indian retailers are experimenting with various formats, depending on the type of segments.

With regards to format, organised retailing in India can be typically split into 3 key categories; namely brick & mortar (B&M) which is the traditional physical format followed by traditional and modern retailers; e-retailing where products are sold via an online channel and others which include formats such as television home shopping, direct selling, retailing via vending machines and retailing via catalogues among others.

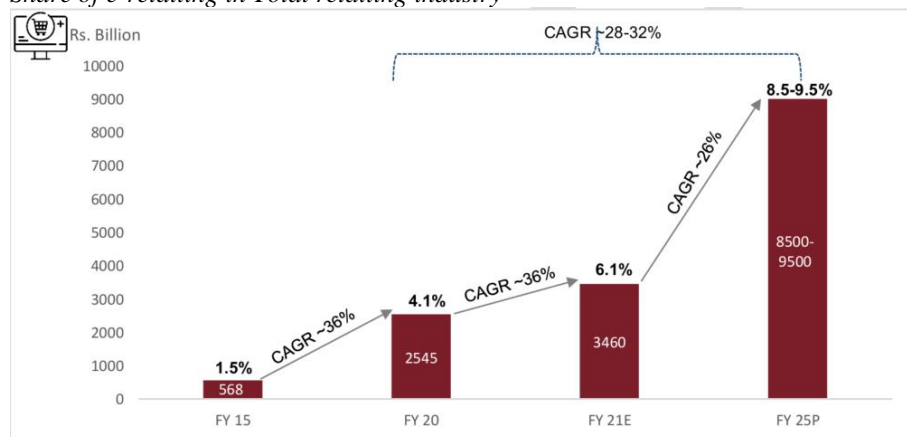
Organised retailing has been dominated by the physical format of delivery. Online shopping accounted for less than 1% of the industry initially, however, this has changed rapidly as the ecosystem for e-retailing has evolved since the advent of India's largest e-retailer, Flipkart, in 2007. The e-retail industry, which stood at approximately ₹ 2.5 trillion during Fiscal 2020, has doubled since Fiscal 2017. The format accounted for about approximately 4.1% of the total retailing market in Fiscal 2020.

Focused funding, rationalisation of operations to normalise growth for online

The Department of Industrial Policy & Promotion's clarification on foreign direct investment (FDI) policy by e-retailers restricted equity ownership in sellers, capped percentage procurement for sellers from e-marketplaces, and put curbs on marketplaces mandating exclusive partnership with brands or on providing favourable services to a few vendors. With these policy changes initiated to create a level playing field for all sellers, discounts reduced which resulted in slower growth of 23% to 24% in Fiscal 2020. E-retailers have made changes in their business model to comply with regulation. For example, Amazon reduced its equity stake in its subsidiary Cloudtail from 49% to 25% to comply with equity ownership criteria. They have also added more vendors to the marketplace.

Consumption slowdown following COVID-19 is expected to have impacted demand in the first quarter. With ban on sale of non-essential products (forming 90% of online retail sale) during the lockdown, a major part of first quarter was impacted. Once the ban was lifted by the government, online platforms saw pent-up demand arising from customers, especially for home products. The sector is expected to have performed well during the festive season with demand coming in from tier-II and tier-III cities apart from metro and tier-I. With social distancing norms being in place and fear of spread of infection due to pandemic, people preferred buying online. Thus, where most sectors witnessed a decrease in Fiscal 2021, online retail is estimated to have witnessed a growth of around approximately 36%.

Share of e-retailing in Total retailing industry



Note: E: Estimated; P: Projected; number above the bar chart represents share of e-retailing in total retailing industry
Sizing of e-retail format is based on gross merchandise value (GMV), which is the total value of goods sold through online portal

Source: CRISIL Research

The online retail segment is expected to grow at a healthy CAGR of approximately 28% to 32% in the long term, but it will still be slower than the past five years on account of demand being impacted in Fiscal 2021, higher base, more focused funding, players shifting focus from improving top line through discounts to increasing operational efficiency and improving profitability. E-retailers will account for approximately 8.5% to 9.5% of the total retailing market by Fiscal 2025.

The e-retail market could see healthy growth due to: increasing number of internet users, greater usage of smartphones, lower cost of connectivity and improved quality, and expanded reach in lower tier cities and rural areas, backed by investments in network infrastructure

Customers are generally attracted to e-retail as the industry offers a superior value proposition across several parameters, i.e. wider selection of products, higher discounts, greater convenience of shopping (including door-step delivery), and payment channels (including cash-on-delivery, mobile wallets).

Pandemic boosted online retail in Fiscal 2021

Consumption slowdown following COVID-19 is expected to have impacted demand in the first quarter. With a ban on sale of non-essential products (forming 90% of online retail sale) during the lockdown, a major part of first quarter was impacted. Once the ban was lifted by the government, online platforms saw pent-up demand arising from customers, especially for home products. The sector is expected to have performed well during the festive season with demand coming in from tier-II and tier-III cities apart from metro and tier-I. With social distancing norms being in place and fear of spread of infection due to pandemic, people will prefer buying online. Thus, where most sectors witnessed de-growth in Fiscal 2021, online retail is estimated to have witnessed a growth of around approximately 36%. E-retail accounted for around 6.1% of total retail market in Fiscal 2021. Going ahead, growth is expected to improve in the medium term. Players are expected to focus on customer convenience and their online experience rather than on only discounts. Further, entry of India's largest brick and mortar retailer Reliance Retail into the online channel will only intensify competition and benefit the customer and the industry. CRISIL Research projects online retail to contribute around 8.5% to 9.5% of total retail by Fiscal 2025, clocking a CAGR of 28% to 32% between Fiscal 2020 and 2025.

Omni-channel presence - the new success mantra

Over past 2 to 3 years, competition from e-retailers has surged significantly and has eaten into the revenue of brick-and-mortar retailers. With sharp growth in sales volumes of e-retailers, brick-and-mortar players have also

increased focus on online sales channels. Though the share of revenue from online channels has been very small, the focus on these is increasing to combat competition from online counterparts. These brands are fighting the funding-dependent discounts from e-retailers with more sustainable membership benefits in the form of added discounts and loyalty points, to get repeat customers.

On the other hand, instead of opening their own online channels, a large number of offline brands are adopting shop-in-shop model by tying-up with top e-retailers for promoting their brands online or even for keeping a dedicated brand page on the e-retailers’ website. This serves the dual purpose of increasing presence while not incurring added investments in technology and logistics. Online players too are focusing on expanding in the offline segment.

Hence, considering that both online and offline models have their respective benefits, CRISIL Research believes that more brick-and-mortar players will adopt and strengthen their omni-channel presence and vice-versa, to make their brand names stronger.

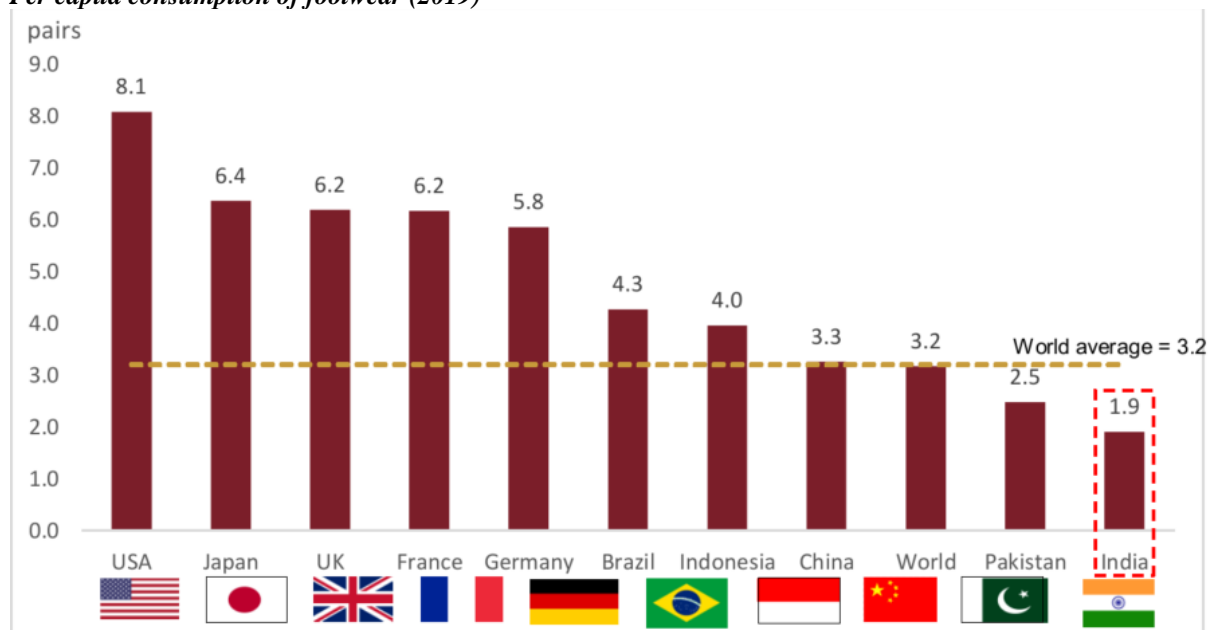
Assessment of footwear industry in India

Indian footwear consumption is low, compared to global average

Globally, India is ranked second among footwear-producing countries in terms of unit pairs, China being first. China, India, USA, Indonesia, Brazil, Japan, Pakistan, Germany, France, UK and Italy are some of the major footwear-producing nations worldwide. China has largest production capacity and accounts for more than half of the world’s footwear production. According to industry associations, global footwear production is estimated at 24.3 billion pairs as of 2019.

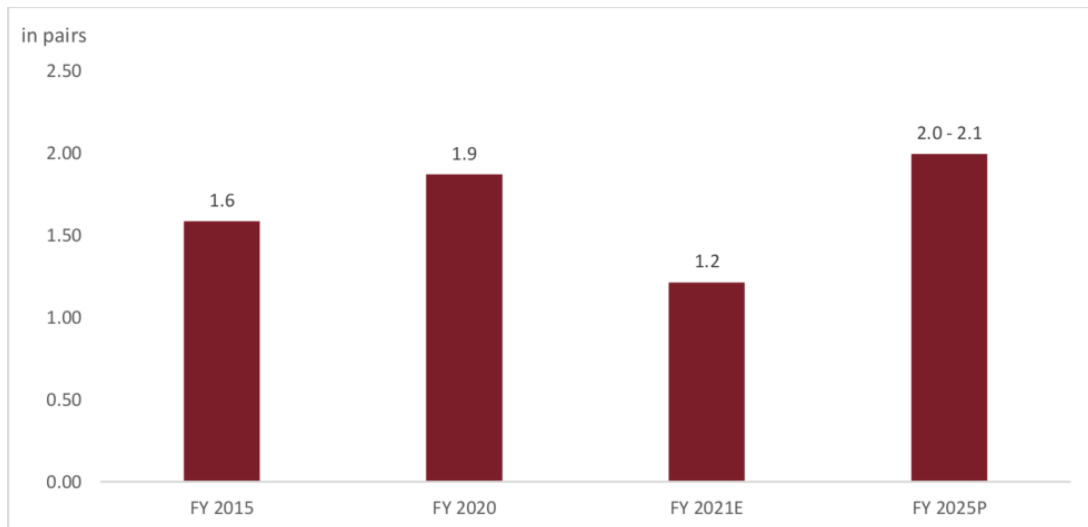
Global average per capita annual consumption is approximately 3.2 pairs as of 2019. India’s per capita annual consumption is very low, compared to its peers, at approximately 1.9 pairs, as can be seen from the graph below.

Per capita consumption of footwear (2019)



Source: Industry Association, CRISIL Research

Annual per capita footwear consumption of India



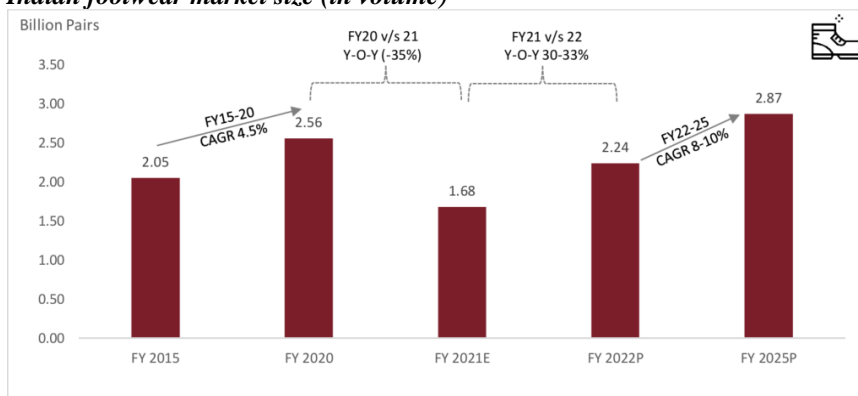
Note: E: Estimated P: Projected
Source: CRISIL Research

Overview of Indian footwear industry

Changing demographics and consumer trends to growth in footwear consumption

In volume terms, the Indian footwear consumption has grown from 2.05 billion pairs in Fiscal 2015 to 2.56 billion pairs in Fiscal 2020, at CAGR of 4.5%. The volume growth has been supported by rise in disposable incomes, urbanisation levels and greater availability of footwear due to growth of shopping formats. In recent years, the tendency to consider footwear as fashion attire and own multiple pairs based on usage and occasion have also been on the rise. There was a decline of approximately 35% in footwear consumption in Fiscal 2021 when compared with Fiscal 2020 on account of the lockdown restrictions imposed due to the ongoing pandemic. However, going forward, Indian footwear consumption in volume terms is expected to grow at a CAGR of 8% to 10% between Fiscal 2022 and 2025 with total footwear consumption estimated at approximately 2.9 billion pairs by Fiscal 2025, driven by stabilised economies and release of pent-up consumer demand. Volume is expected to remain moderate as slowdown in overall population growth is expected to be countered by increase in urbanisation levels, rise in disposable incomes and trends such as increased outdoor activities and increase in brand consciousness.

Indian footwear market size (in volume)



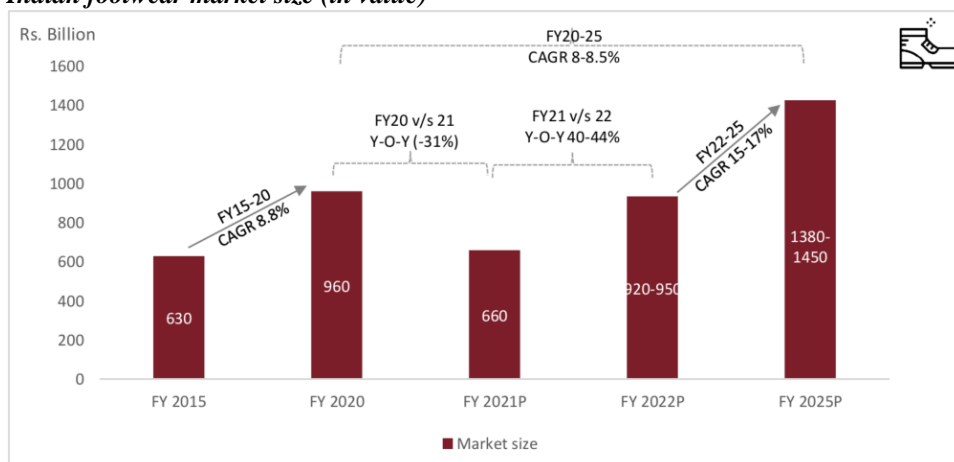
Note: P: Projected
Source: CRISIL Research

Shift towards high-value products has led growth in footwear market in India

Over last few years, Indian retail has seen healthy growth with rise in disposable income, increased consumer spending and modernisation of shopping experience. The Indian footwear market has followed the trend and witnessed healthy growth on account of rise in income levels, increase in awareness of brands and fashion styles, rise in modern retail, heightened discretionary spending and increase in urbanisation. Consequently, the Indian footwear market, in value terms, has grown from ₹ 630 billion in Fiscal 2015 to ₹ 960 billion in Fiscal 2020 at CAGR of 8.8%. Some of the prominent players in the Indian footwear market includes Bata, Khadim, Liberty,

Metro, Paragon, Relaxo and Mirza International Ltd. The market size witnessed a decline of approximately 31% in Fiscal 2021 compared to Fiscal 2020 on account of decreased consumer spending due to the pandemic. Going forward, CRISIL research expects Indian footwear consumption in value terms to grow moderately at a CAGR of 15% to 17% between Fiscal 2022 and 2025.

Indian footwear market size (in value)



Note: P: Projected

Source: CRISIL Research

Indian footwear market expected to grow with changing customer behaviour

CRISIL Research expects the footwear market to grow at CAGR of 15% to 17% from ₹ 920 to ₹ 950 billion in Fiscal 2022 to approximately ₹ 1,380 to ₹ 1,450 billion in Fiscal 2025. Rise in income levels, standard of living, footwear as fashion statement, footwear volumes in urban areas with different footwear purchased for different occasions, women workforce participation, and brand awareness will contribute to the growth of footwear market.

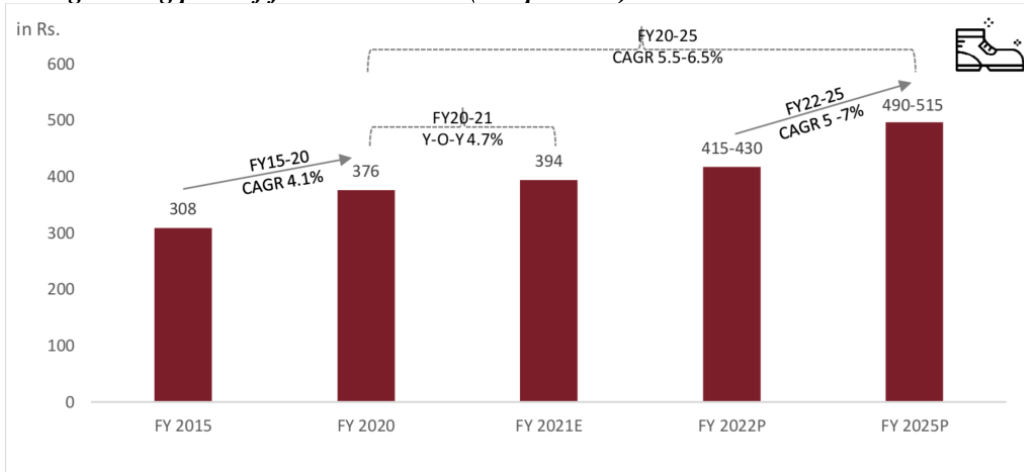
Growth of the footwear market is estimated to be driven by value, with average selling price (ASP) of footwear to increase by 5% to 7% CAGR between Fiscal 2022 and Fiscal 2025. The growth in volume terms is estimated to be around 2% to 3% CAGR during the same period.

Brand consciousness and demand for trendy design will drive ASP of footwear

The growth in footwear industry in value terms has largely been supported by growth in average selling price (ASP). ASP of the Indian footwear industry has risen over the years on account of gradual shift in preference from mass-market footwear to premium categories of footwear. According to CRISIL Research estimates, the ASP of Indian footwear industry has grown from around ₹ 308 per pair in Fiscal 2015 to around ₹ 376 per pair in Fiscal 2020, recording a CAGR of approximately 4.1% on account of rise in disposal income and discretionary spending, penetration of organised retail, availability of more designs and greater awareness of fashion trends.

Going forward, CRISIL Research expects the ASP to grow from approximately ₹ 415 to ₹ 430 in Fiscal 2022 to ₹ 490 to ₹ 515 in Fiscal 2025 at a CAGR of 5% to 7%. Growth in ASP is expected to be driven by an overall shift in preference for premium categories of footwear. Factors such as young demographics with increased disposable incomes, changing fashion trends and better availability of designs and brands are expected to contribute to the shift from mass to more premium categories of footwear in India. Also, the increased preference for branded footwear due to growing prominence of online shopping, boosted by the pandemic, is further expected to drive up the demand for premium footwear.

Average selling price of footwear in India (in ₹ per unit.)

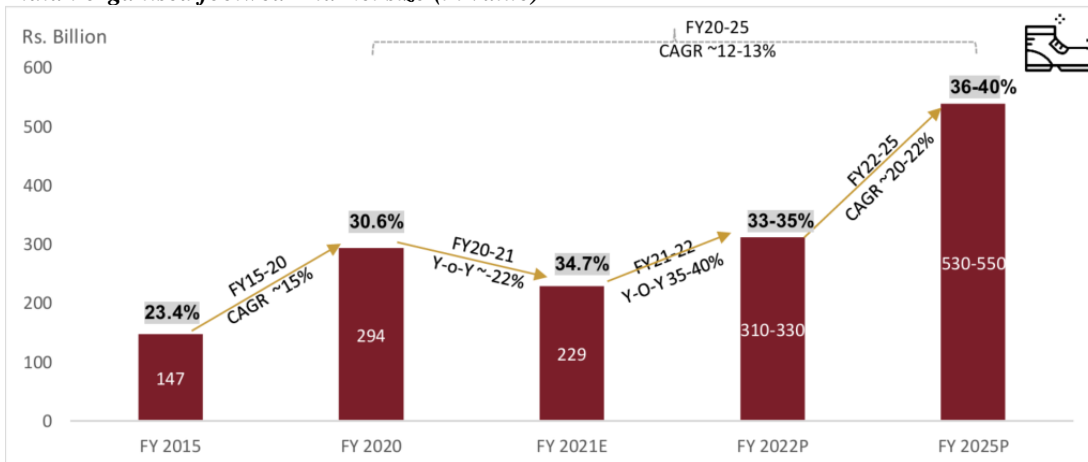


Note: P: Projected
Source: CRISIL Research

Organised footwear industry to reach ₹ 530 to ₹ 550 billion by Fiscal 2025

The footwear industry in India is highly fragmented with presence of local unorganised shops and regional organised retail stores. A closer look at the Indian urban shopping landscape reveals a higher concentration of small footwear retailers selling unbranded and branded (branded footwear sold through wholesale distribution business of brands) footwear, which can be classified as unorganised segment. CRISIL Research defines organised footwear market to include international, national and regional brands present via exclusive brand outlets (EBO), multi-brand outlets (MBO) and other large format stores and online channels. The unorganised segment is defined to include small local brands, local brick and mortar shops, street vendors, and unbranded footwear sale.

Indian organised footwear market size (in value)

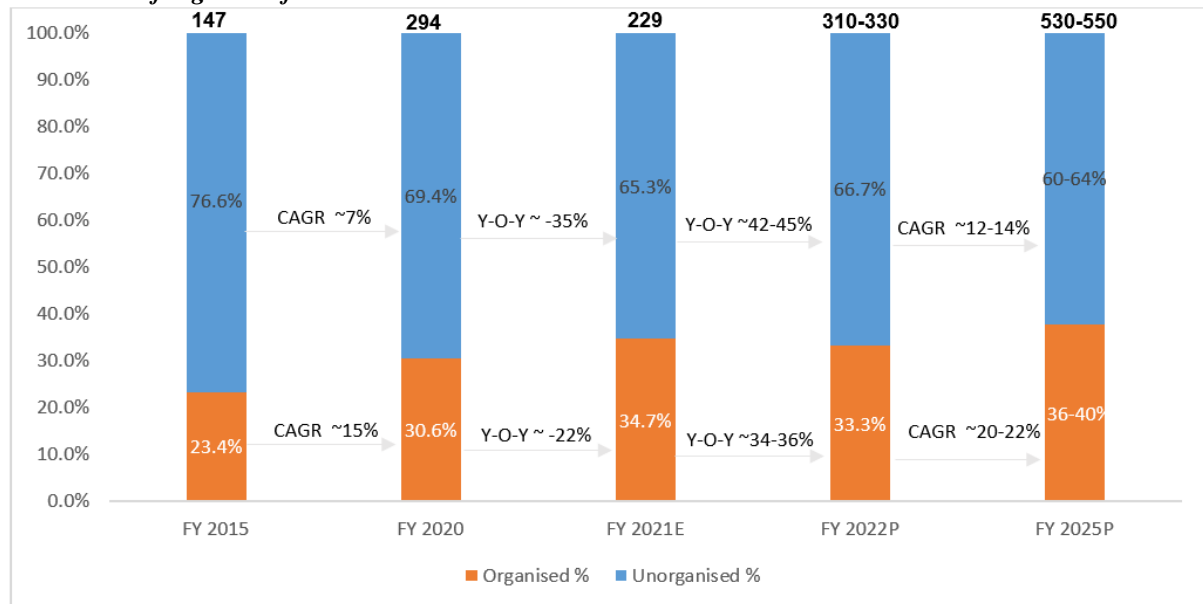


Note: P: Projected
The numbers on top of bars represent the Organised retail penetration for the footwear market
Source: CRISIL Research

The Indian footwear industry remains largely unorganised, with approximately 69.4% share of the total footwear industry as of Fiscal 2020. CRISIL Research estimates the share of organised players at approximately 30.6% as of Fiscal 2020, translating to a market size of ₹ 294 billion. The organised players’ share has grown at CAGR of approximately 15% in past 5 years, largely on account of rise in urbanisation levels and increasing acceptance of brands and modern retail formats by the Indian consumer. The urban shopping landscape has evolved from traditional and clustered shopping areas in the older and traditional parts of the city to experience-based shopping in large, spacious stores, high streets and retail malls in the newer areas of the city. Additionally, initiatives by footwear players such as enhancing the overall customer experience via increased frequency of designs, advertising and promotional activities to raise brand awareness as well as increased geographical reach has also aided growth of the organised segment. Further, the implementation of GST in Fiscal 2018 has spawned structural changes in the supply chain and logistics network in India. Companies have started migrating from the current strategy of 'multiple warehousing' to the 'hub and spoke' model as tax treatment across India will be uniform. GST has also driven the market share gains for organised players, as tax arbitrage which used to help unorganised

players has been reduced. Industry interactions also reveal that the Organised players have adjusted better to the COVID-19 pandemic compared to their unorganised counterparts. Due to their stronger balance sheets and more robust supply chains, organised players like Metro Brands, etc. are expected to disproportionately benefit from the organized shift and emerge stronger post COVID-19.

Penetration of organised footwear retail



Note: The market size numbers above the bar chart represent total footwear industry in ₹ billion

P: Projected

Source: CRISIL Research

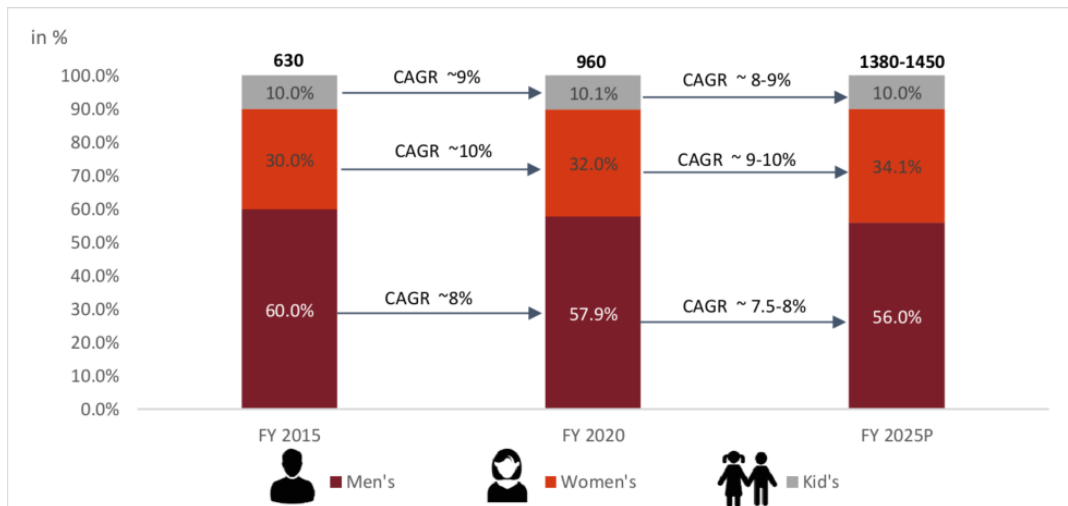
Men’s category to remain dominant while women’s category to record faster growth in Fiscal 2025

The Indian footwear industry can also be classified based on gender, namely men, women and kids’ footwear. Traditionally, men’s footwear segment has enjoyed majority share of total footwear industry, although in terms of growth, women’s and kids categories have fared marginally better with approximately 10% and approximately 9% CAGR respectively between Fiscal 2015 and 2020. The men’s footwear category grew at 8% CAGR during the same period.

Women’s footwear as a category has started gaining significant traction, especially as branded players are offering comparatively more designs and choices in this segment as compared to the men’s or kids segments. Also, a key factor for growth is increasing participation of women in the workforce. With more women joining the corporate workplace, and a corresponding increase in discretionary spending on footwear, demand for women formals and comfort-wear has increased. Consequently, their share in total footwear industry has improved marginally from 30% in Fiscal 2015 to approximately 32% in Fiscal 2020.

The kids’ segment’s share is low at approximately 10% as of Fiscal 2020. Due to change in shoe sizes as the child grows up, the frequency of footwear purchase is higher in kids segments as compared to men’s or women’s segment. On the other hand, the tendency to spend on branded shoes for this segment is typically lower as compared to men’s or women’s segments. Industry interactions indicate that the kids’ segment is largely catered to by unorganised players, with price points typically lower as compared to organised players.

Gender-wise breakup of footwear industry



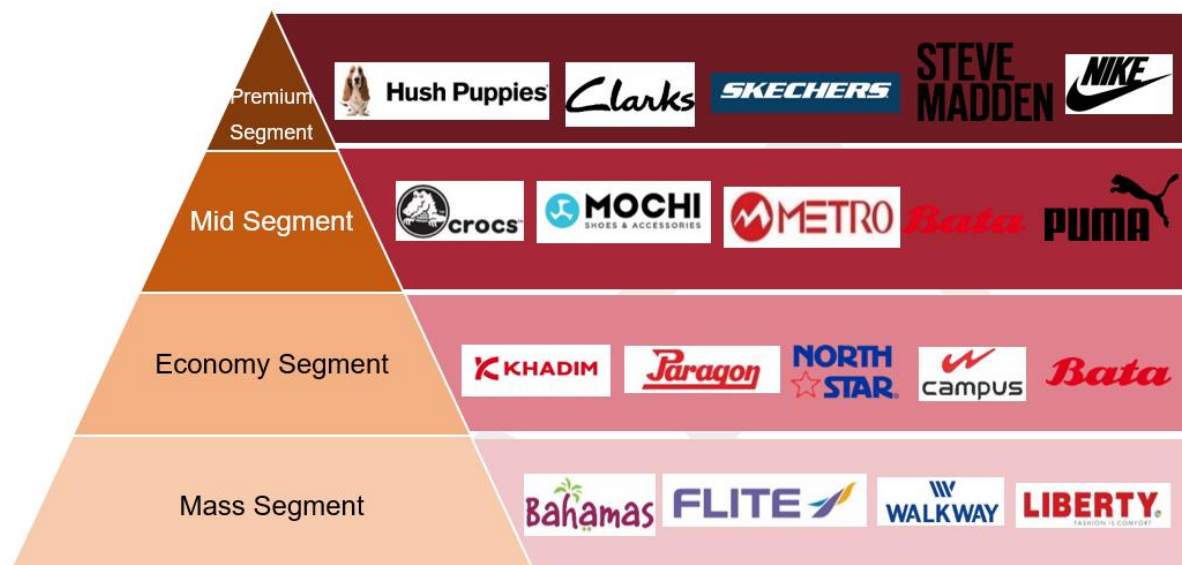
Note: The market size numbers above the bar chart represent total footwear industry in ₹ billion

P: Projected

Source: CRISIL Research

Indian footwear industry to shift in favour of economy, mid and premium-priced segments

Based on industry interactions, CRISIL Research has broadly classified the Indian footwear industry under varied price segments as follows:



Note: The categorization is done as follows:

- Mass segment is priced below ₹ 500 a pair
- Economy segment is priced between ₹ 501 to ₹ 1,000 per pair
- Mid-segment is priced between ₹ 1,001 to ₹ 3,000 per pair
- Premium segment is priced at ₹ 3,001 per pair and above

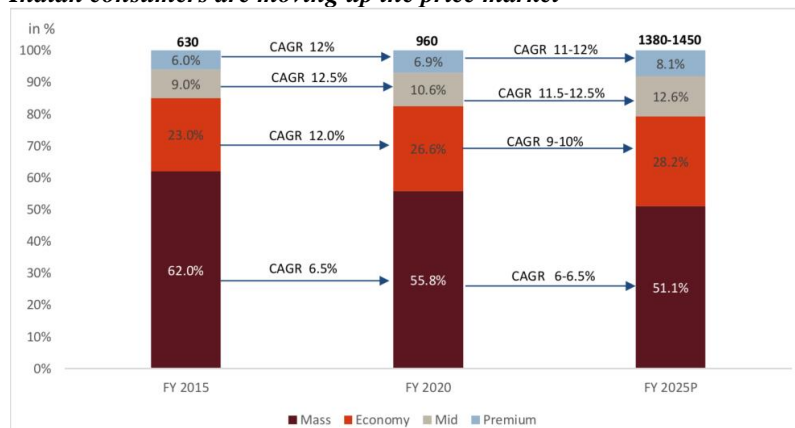
There will be certain overlaps for certain SKUs for each brand, and the current classification is based on ASP and majority price range. Please note the above image is for illustration purposes only.

Being a price-sensitive market, the Indian footwear industry is dominated by the mass segment which occupies a share of approximately 56% as of Fiscal 2020. This segment is largely catered to by unorganised players, comprising local footwear brands as well as unbranded footwear products. The share of the mass segment has dropped from 62% in Fiscal 2015 to 56% in Fiscal 2020, mainly on account of growth of organised players in the market.

This decline in market share has been captured by economy, mid, and premium price-range segments, which have grown at CAGR of approximately 12%, approximately 12.5% and approximately 12% respectively during Fiscal 2015 to 2020. Typically, these segments are catered to by organised players with national, regional and

international brands and their growth in the overall footwear industry has led to an increase in their respective shares. Moreover, factors like higher penetration of modern retail formats, rising income levels, and growing brand awareness have aided the growth of the mid and premium price segments.

Indian consumers are moving up the price market



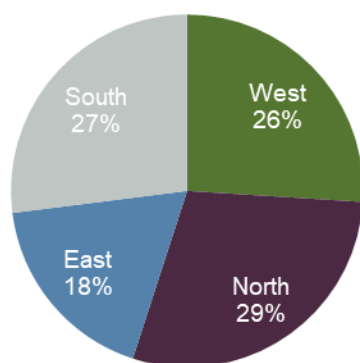
Note: P – Projected; values above the chart represent the size of total footwear industry in ₹ billion for respective years
 Source: CRISIL Research

Going forward, CRISIL Research expects the Indian footwear market to shift in favour of economy, mid and premium-priced segments. Mass market price segment is expected to maintain a dominant share at 51% as of Fiscal 2025, but the growth rate is expected to be lower at approximately 6% to 6.5% CAGR between Fiscal 2020 and 2025. On the other hand, the other three segments are expected much better growth (approximately 11% to 12% CAGR for premium, approximately 11.5% to 12.5% CAGR for mid segments and approximately 9% to 10% CAGR for economy segment) during the same period. Compared to the total footwear industry’s growth rate of 8% to 8.5% CAGR between Fiscal 2020 and 2025, the economy, mid and premium sections are together expected to grow at a comparatively higher rate of 10% to 11% CAGR during the same period. Increasing exposure to global fashion brands and trends, higher aspiration levels coupled with demographic factors are expected to galvanise this shift. Also, since the economy, mid and premium sections have a higher presence of organised players, the faster growth of these sections is also expected to accelerate growth of the organized segment in the footwear industry. Moreover, higher growth rates in the higher prices segments as compared to the mass segment will aid in overall increase in average selling prices of the organised footwear segment in India.

Organised footwear industry is influenced by regional trends and cultures as well as weather conditions

CRISIL Research has classified the organised Indian footwear market based on geography into four key regions, namely, west, east, north, and south as depicted below. The west, north and south regions enjoy more or less equal share of the market; the eastern region lags behind on account of GDP growth being below the national average and supply chain constraints.

Region-wise break-up of footwear market in India (as of fiscal 2020)



Source: CRISIL Research

Note: The West region includes State of Maharashtra, Daman Diu, Dadra Nagar Haveli, Rajasthan, Goa, and Gujarat, North includes Uttarakhand, Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Uttar Pradesh, Madhya Pradesh and Chandigarh, South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Andaman and Nicobar Islands, Lakshadweep and Pondicherry. East includes Chhattisgarh, West Bengal, Bihar, Jharkhand, Odisha, Meghalaya, Assam, Arunachal Pradesh, Sikkim, Mizoram, Nagaland, Tripura and Manipur

Organised retailing of footwear dominated by offline channels

Within the organised footwear segment, typical sales format used for retailing include:

- EBO
- MBO
- Large department and lifestyle stores
- Online channels

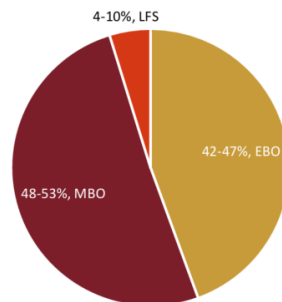
Organised retail of footwear has seen wide changes as retailing formats evolved in India. Urban centres tend to have higher penetration of the above-mentioned formats as compared to rural areas where local brick and mortar stores still account for a large presence. Even among the four formats mentioned above, the offline or physical channels of EBOs, MBOs and department and lifestyle stores account for dominant share in organised footwear retailing.

Industry interactions indicate that typically, EBOs retail only parent company brands with few other brands while MBOs retail not only their own brands but also franchisee brands and has larger share of franchisee brands. Both EBO and MBO formats are speciality formats and footwear is the dominant category to be retailed. In contrast, large department and lifestyle stores offer several categories of products such as apparel, footwear, watches, handbags, perfumes, home products, home décor, etc. In case of department and lifestyle stores, the footwear category may consist of only branded or unbranded products or a mix of both.

During pre-liberalisation period, footwear was sold through standalone branded outlets. Such speciality EBO formats were the dominant channel in organised footwear retail and brands such as Bata, Liberty, Metro, Khadim, Relaxo etc were some of the players that catered to the Indian market. Post 1990's after liberalisation of the economy as brands awareness and consciousness among Indian consumers increased, players in footwear industry began introducing sub-brands to cater to varied categories as well as price points. Liberalisation of the economy also led to global players tying up with domestic players to enter into the Indian footwear industry. The period between 1990 and 2005 also saw the entry of pure-play retailers and large department and lifestyle stores such as Pantaloons, Shoppers Stop, Lifestyle etc which showcased footwear brands (in-house, domestic and global) forming a part of their overall offerings.

Industry interactions indicate that as of date, Indian consumers prefer the specialty stores (EBOs and MBOs) format when it comes to the footwear category, on account of wide variety, service offered and brand loyalty developed over a long period. This is also reflected in their share in the organised footwear industry, where EBOs and MBOs enjoy a higher share (42% to 47% for EBOs and 48% to 53% for MBOs as of Fiscal 2021 in traditional offline organised retail) as compared to the large department and lifestyle stores (LFS). Online retail of footwear is yet in its nascent stages as evident from its share of 7% to 8% in overall retail as of Fiscal 2021, with nearly half contributed by organised segment and rest by unorganised segment. However, industry interactions indicate that players have started augmenting their online presence via own websites or via marketplace websites and the format is expected to gain traction in the medium to long term.

Broad split of traditional offline formats for organised footwear industry (for Fiscal 2021)



*Note: Certain MBOs also have their own footwear brands along with other footwear brands
The above split includes only offline channels and excludes online channel for organised footwear
Source: CRISIL Research*

E-retailing in footwear

With improved penetration of internet services and cell phones, online retailing has helped brands across segments expand their reach, especially in cities and towns where brick & mortar stores are not present. E-retailing also helps to improve brand awareness in such locations as people shift from off-line physical shopping to online shopping, as a matter of convenience and choice.

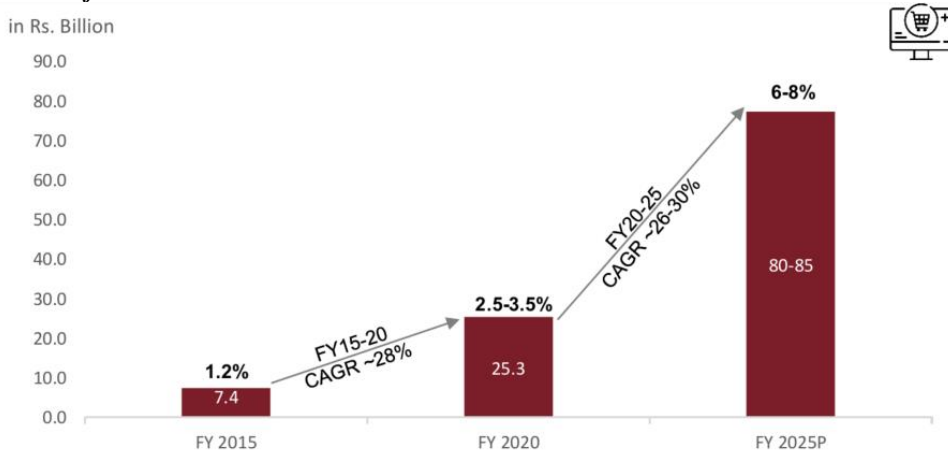
Industry interactions indicate that traditionally, the Indian footwear industry has been inventory-heavy, as retailers need to stock large variety of footwear in terms of style, colour, size and pattern across various sizes. This requirement in turn entails significant space requirement for storage in close vicinity to retail outlets. Shift to e-commerce has helped key players tackle space and inventory issues. The online platform offers ease of display of variety to customers at their comfort and convenience without the need to physically visit the store. The probability of new customers viewing product range online is higher than he/she visiting stores. E-retail also allows players to display wide variety of design which the user can sort easily as per preference; otherwise for offline stores, maintaining the right product mix with limited space is a key concern. This can also act as a limiting factor – if a customer views a collection online and decides to visit the store, only to find the same design is not available in the store, this can generate inconvenience and negative customer experience.

Prominent players have launched their own e-retail websites or many brands have tied up with e-commerce platforms to showcase their product range, others are following the trend. Myntra, Amazon, Flipkart, etc. are some of the leading e-commerce marketplaces for footwear in India.

A key challenge with the online format is the sizing issue. Even with knowledge of shoe size or types of sizes (like US, UK, EUR, etc.) available, customers may not enjoy the fit or look of the shoe ordered online and choose to return the same. For the retailer, the online channel needs to be supplemented with easy return policies which can add to overall logistics costs.

CRISIL Research estimates that online retailing of footwear contributes 2.5% to 3.5% share in total Indian footwear industry as of Fiscal 2020. Online retailing of footwear grew from approximately ₹ 7.4 billion in Fiscal 2015 to approximately ₹ 25.3 billion in Fiscal 2020, marking a CAGR of approximately 28%, given its nascent stage and low base effect. Going forward, CRISIL Research expects the share to grow from 2.5% to 3.5% in Fiscal 2020 to 6% to 8% in Fiscal 2025 at a CAGR of approximately 26% to 30%. In absolute terms, the online footwear sales are expected to grow from approximately ₹ 25 billion in Fiscal 2020 to approximately ₹ 80 billion to ₹ 85 billion in Fiscal 2025. With the new e-commerce policy, restricting discounts and e-commerce brands, the penetration of e-retail in footwear in Fiscal 2025 is expected to grow, albeit at a slower pace as compared to the previous years. The growth is expected to take place in line with macro-economic factors like increase in internet and smart phones penetration, expansion of transport and logistics across pan-India coupled with convenience offered in terms of display and ease in comparison across brands and styles. Modern retailers are also expected to adopt an increasingly multi-channel approach in order to reach customers across varied age and income profiles.

E-retail footwear market



Note: P: Projected

The numbers on top of bar represent the penetration of E-retail in total footwear market

Source: Industry, CRISIL Research

Omni-channel retail gaining prominence in the footwear industry

An Omni-channel strategy foresees that customers may start searching on one channel and move to another as a progression of their online purchasing journey. So, for example, a customer may purchase a product online and choose to return it offline through the physical stores providing a seamless online to offline experience. An omni-channel strategy improves business efficiency and enables the businesses to leverage the data collected to ensure higher margins and better customer retention. Also, the offline retail stores act as fulfilment centres for online delivery, thereby reducing logistic costs.

Several of the key players in the India footwear market have started rolling out a full suite of Omni-channel solutions. Bata has rolled out a full suite of Omni-Channel solutions. For example, Bata's program 'From Anywhere to Anywhere' has introduced new modules to enhance the Omni-channel approach and make the entire customer journey with the brand more personalized. Similarly, Bata's 'home delivery service' has connected more than 770 stores of Bata with shared inventory, which has helped increase their retail sales numbers. Going ahead, given the increased adoption of online shopping amongst the consumers due to the ongoing pandemic, CRISIL Research believes that more brick-and-mortar players will adopt and strengthen their Omni-channel presence to make their brand names stronger. Other players have introduced similar programs to expand their Omni-Channel presence. For example, Metro Brands, which already has its own e-com website and is also retailed via 8 top market places, is implementing Omni-channel strategies across its network of more than 586 stores. It is supported via strong processes and a separate e-com warehouse.

Growth drivers and challenges of footwear industry

Rise in footwear as fashion-wear and athletics segment to drive growth

Footwear industry will benefit from the rise in retail and consumer expenditure on account of rising disposable incomes of Indian consumers, desire for better standard of living, higher favourable working age group, nuclearisation of families, and change in consumer attitudes towards branded products. Along with the common set of growth drivers, the footwear industry will witness growth on account of change in consumer attitude to footwear, from utility to fashion wear, higher demand for active footwear, growing fashion and lifestyle market, and penetration of Indian as well as foreign brands in footwear.

Footwear from utility to fashion statement

Footwear has evolved from being just being a mere necessity as cover and protection for feet to an important part of the fashion outfit. Footwear is considered an integral part of attire that makes one stand out. Even for regular wear, the young generation is paying increasing attention to sport a footwear that goes well with the clothing and occasion. Along with clothing, a right pair of footwear is needed to complete one's appearance and good looks. Comprehensibly, the simple footwear is seeing increase in stylisation over the years.

Footwear for every occasion

Today's youth own different footwear for each occasion. The consumption of footwear, especially in urban areas, has increased as people buy footwear to match the occasion and outfit. Casuals and flats are preferred for daily wear as they are comfortable while travelling and commuting. However, along with comfort, people are increasingly looking for trendy looks. Office-goers opt for formal shoes for work and casuals while commuting. Trendy and fashion footwear, such as high heels and glittered footwear for women and sneakers and smart loafers or moccasins for men, are preferred for outdoor meets or parties. Consumer demand different design and styles of footwear as per changing fashion trends, tastes and preference to own variety of footwear to match outfit and occasions. Thus, designing and introducing different styles of footwear become critical for brands to stay relevant with fashion trends. Players in the industry have introduced new designs and trends in their product portfolio to stay ahead of the rising demand. Individuals also own footwear for different purposes, such as athletic shoes for fitness and adventure activities, casuals for daily commute and everyday use, formal shoes for office wear, party wear footwear for special occasions, etc.

Health and fitness awareness

Increasing health and fitness awareness is creating higher demand for athletic footwear. The youth and middle-aged consumers are increasingly adopting an active lifestyle by participating and engaging in activities such as running, working out in the gym, and sports such as tennis, cricket, badminton, football, trekking, etc. This has led to a rise in the demand for activity-specific athletic sportswear. People also increasingly prefer sports footwear

for long-distance travelling and tours. Doctors also advise to use sports footwear for daily wear for better foot coverage and support for old-age people.

Besides, the already prominent health & wellness trend received a boost during the pandemic, driven by an increased awareness about healthy living amongst the growing urban population. There has been a significant increase in the demand for casual sportswear during the current fiscal year. CRISIL expects that the casual sports footwear will play an important role in recovery of the overall footwear industry post the pandemic. As the ASP of sports footwear is 75% to 150% higher than casual footwear, the increased demand has created a growth potential for the footwear industry.

Women segment to rise with rise in women workforce

With an increase in the women workforce, the demand for women's footwear has expanded. The share of women's footwear has risen from approximately 30% in Fiscal 2015 to approximately 32% in Fiscal 2020, comprising the fastest-growing segment at approximately 10% CAGR. Women's footwear have more variety and styles as compared with men's footwear. In India, women tend to place greater emphasis on fashion than men and consequently purchase footwear more frequently as compared to men. Thus, the rise in women's participation in the economy will increase the consumption of footwear.

Spending will rise as the new-age generation enters prime years

The generation of the late 1990s and early 2000s, who were exposed to an open and consumer-led economy, international brands, and a digital world since the beginning, are entering their higher education phase or professional career. This generation has more exposure to fashion and brands than the previous demographics. As they are entering their prime age of consumption and earning, they will tend to spend more on aspirational purchases and brands than their previous generations, which will drive growth for premium and branded products.

Also, given digital media penetration, the new generation is more fashion and brand conscious, thus boosting demand for branded casual and formal footwear.

Rising in disposable income has led to consumer shifting to higher price segments

The average selling price in the Indian footwear industry has increased owing to premiumisation over the past decade. The mass market constituted approximately 62% of the total industry size in Fiscal 2015, which has declined to 56% in Fiscal 2020 owing to a shift in consumer preference towards high-priced products. The average selling price of footwear has grown at approximately 4% CAGR from ₹ 308 per pair in Fiscal 2015 to ₹ 376 per pair in Fiscal 2020. Brand consciousness, rising income levels, increase in the standard of living, and demand for fashionable footwear have led consumers shifting to higher price points.

Rise in urbanisation

As per United Nations population estimates, the share of the urban population is expected to increase from 34 in 2018 to 35.9% in 2022, and increase further to 37.4% by 2025. Also, urban conglomerates with populations of more than 0.3 million would likely grow at approximately 2.6% by 2025. The rise in urbanisation will help increase the share of the organised retail segment by boosting the demand for modern retail formats and high-value footwear units.

Increase in brand consciousness

Exposure to global trends and fashions have increased overall brand consciousness among Indian consumers, especially the younger generation in urban areas. Aspiration levels have also improved over time with an increase in disposable incomes, leading to a greater awareness and appreciation of branded products across segments.

Brand endorsements by celebrities and eminent personalities in sports and cinema have led to an increase in brand awareness among the Indian youth. Brand promotion spends, one of the key metrics for retailers, have risen over the past few years to generate awareness and increase reach.

The footwear retail market in India is dominated by unorganised players and domestic / well-established Indian brands.

The footwear market in India is fragmented, with organised players having a lower share as compared with unorganised players. The organised industry contributes to approximately 35% of the total footwear industry. This

approximately 35% of the industry valued at ₹ 229 billion in Fiscal 2021 (₹ 294 billion in Fiscal 2020) consists of players such as Bata India, Metro Brands, Mirza International, Paragon, Relaxo, Inc 5., Action footwear, and International brands such as Reebok, Nike, Puma, Adidas, Fila, Asics, Skechers, Clarks, and others. The largest player among all is Bata India with revenue of ₹ 17 billion in Fiscal 2021 and ₹ 30.6 billion in Fiscal 2020. Bata India though an international brand, is considered an Indian brand on account of its presence since 1931 and penetration across India. Indian brands have higher market share in the footwear industry as compared to International brands, which is evident from revenue of players such as Bata, Metro (including Mochi and Walkway), Paragon, Khadim, Relaxo, Mirza International as compared to International brands. International sportswear brands have registered higher growth of 12% to 17% between Fiscal 2016 and 2019 as compared to the overall footwear industry growth of 9% to 10% on account of increase in demand for athleisure segment. International non-sportswear brands have seen a slower growth of 5% to 6% between fiscal 2016 and 2019 as compared to domestic brands which have registered a growth rate of 10% to 15% during the same period.

With the presence of so many players in the organised Indian footwear market, there is a need among brands to innovate and stay ahead of fashion. A large set of Indian customers still prefer Indian brands due to the price-sensitivity factor as compared with international brands. But the demand for international brands in the sports category has been increasing with entry of brands such as Nike, Reebok, and Adidas in the Indian market. Also, with fast changing demand and fashion trends, footwear brands have to introduce new design and styles at faster rate to stay relevant with rising competition.

With the online marketplace, entry barriers have come down for several brands and new players. Established brands have an advantage in terms of customer loyalty developed over decades. But, with the new generation experimenting with fashion and brands, even established players have to upgrade their products frequently to suit changing fashions and offer fresh variety to hold young customers

Impact of COVID-19 pandemic on Indian footwear industry

Rising importance of E-commerce & Deep discounting offers

As with most apparel categories, E-commerce gained significant importance for footwear sales during the Pandemic as most retail stores remained closed by government directives and also since people remained fearful of shopping offline due to risk of being exposed to virus. Also, since most brick & mortar and online stores were prohibited from selling non-essentials during the initial stages of the first lockdown, most players in the industry resorted to deep discounting pricing strategies to maintain market share.

Sports footwear expected to develop further

The already prominent health & wellness trend received a boost during the pandemic the trend is expected to maintain significant momentum, driven by an increased awareness about healthy living amongst the growing urban population. CRISIL expects that the sports footwear will play an important role in recovery of the overall footwear industry post the pandemic.

Rising raw material prices hit the unorganised sector drastically

Industry sources reveal that the prices for chemicals, leather and some other raw materials used in footwear manufacturing have been seeing a rising trend since the lockdown post the first wave of the pandemic. Although, a lot of the major players were able to maintain their cost prices due to their long-standing ties with suppliers and by managing inventory, the players in the unorganised sector as well as the smaller organised players were unable to absorb the rising costs and thus their margins took a drastic hit.

Trade Scenario in footwear industry

Indian footwear market is competitive with presence of many global brands.

Foreign direct investment of 100% in single-brand retail through the automatic route in 2012 led to the entry of premium and luxury brands in India. Until then, 51% stake in a joint venture for single-brand foreign retailer was permitted. International brands such as Asics, Adidas, Aldo, Bally, Charles & Keith, Clarks, Columbia, Ecco, Fila, Florshiem, Hush Puppies, Jimmy Choo, Lee Cooper, Lloyd, Kenneth Cole, Marks & Spencer, Nike, Nine West, New Balance, Paul & Shark, Reebok, Rockport, Stacy Adams, Steve Madden, Tod's, and Geox, among others, are sold in India. Luxury brands such as Louis Vuitton, Burberry, Hermès, Chanel, Gucci, Salvatore Ferragamo, Bottega Veneta, Armani, Versace, and Hugo Boss also sell their lines of footwear.

Key players in footwear industry in India

Overview of performance

CRISIL Research has compiled profiles of key players in the footwear industry in India as detailed below. Information in this section is sourced from company websites including annual reports and investor presentations, regulatory filings, rating rationales and/or product brochures. Competitive landscape has been established based on player operations in India, comparable operating revenue and financial data availability for players.

Metro Brands Limited is one of the largest Indian footwear speciality retailers present in India. (Retail refers to sales through own retail channels and not through distribution channels; and specialty retailer means retailer catering to only one category – footwear). Metro Brands Limited is also one of the few retailers among the footwear players to source all its products through outsourcing arrangements, thus having an asset light model with no manufacturing / production facility. Metro Brands have 100% third party outsourced products.

Product categories in the footwear and accessories segment for different players

Players	Footwear			Accessories					
	Men	Women	Kids	Bags	Clutches	Wallets	Foot care	Belt	Shoe care
Bata India Ltd	✓	✓	✓	✓	✓	✓	✓	✓	✓
Relaxo Footwear Ltd	✓	✓	✓						✓
Paragon Group (PPPL)	✓	✓	✓	✓		✓		✓	
Mirza International Ltd	✓	✓	✓	✓	✓	✓		✓	
Metro Brands Ltd	✓	✓	✓	✓	✓	✓	✓	✓	✓
Khadim India Ltd	✓	✓	✓	✓	✓	✓		✓	✓
Liberty Shoes Ltd	✓	✓	✓						
Campus Activewear Pvt. Ltd.	✓	✓	✓						

Note: Foot care includes products like foot-care cream, comfort soles, callus (hard skin) remover etc. and shoe care includes shoe polish, shoe polish brush, leather protection solution etc., which are used for footwear.

Source: Companies' websites

Financials for Fiscal 2021

Players	Op. revenue (Rs billion)*	3-year Op. Revenue CAGR ¹	Op. margin (%)	Op. income - COGS Margin ⁵ (%)	Volume sales (mn pair of footwear)	Net profit margin (%)	RoE (%)	RoCE (%)	Gearing ratio (Times)	Working capital days	ICR (Times)	ASP per pair of footwear ³
Bata India Ltd ²	17.1	-13.4%	9.9%	50.9%	31.97	-5.2%	-4.9%	-0.5%	0.0	-29.5	2.2	534.7
Relaxo Footwear	23.6	6.4%	21.3%	57.2%	190.7	12.4%	21.1%	29.1%	0.0	30.7	26.2	123.5
Mirza International	10.5	2.6%	11.3%	43.9%	NA ⁴	0.8%	1.3%	5.8%	0.2	126.8	2.9	NA
Metro Brands	8.0	-9.9%	22.1%	55.0%	5.9	8.1%	7.7%	15.7%	0.0	-14.8	5.6	1,328
Khadim India	6.3	6.1%	0.5%	28.8%	NA ⁴	-5.3%	-15.2%	-5.5%	0.5	16.4	0.9	423 [^]
Liberty Shoes	4.6	-5.8%	11.2%	53.3%	NA ⁴	0.05%	0.2%	7.9%	0.9	55.4	3.6	NA ⁴
Campus Activewear Pvt. Ltd.	7.1	20.3%	16.4%	47.0%	NA ⁴	3.8%	17.2%	42.4%	0.4	9.2	7.0	NA ⁴

Note: Op.: Operating, ICR – Interest Coverage Ratio; Working capital days (Cash conversion days)

1: Period of 2018-2021 considered for growth calculation

2: The interest expense for Bata includes expenses for unwinding of financial instruments at amortised costs and other finance costs

3: ASP: Average Selling Price, ASP per pair is calculated as Operating Revenue/Number of pairs of footwear sold

4: NA: Not Available

5: (Op. income – COGS) Margin is calculated as {operating income – (raw material cost plus cost of traded goods plus consumables plus discretion in inventory) / operating income}

[^] - Based on retail business sales of ₹ 2,960.5 million and volume of 7 million pairs for Fiscal 2021

Source: Companies' annual reports, CRISIL Research

Financials for Fiscal 2021

Players	Operating Revenue 12 months ended Mar 2021	FY21 vs FY20 revenue growth	PAT 12 months ended Mar 2021	Net Profit Margin 12 months ended Mar 2021
	(Rs Billion)	(%)	(Rs Billion)	(%)
Bata India Ltd	17.07	-41%	-0.90	-5.0%
Relaxo Footwear Ltd	23.59	-1%	2.92	12.2%
Paragon Group (PPPPL)	NA	NA	NA	NA
Mirza International Ltd	10.50	-17%	0.08	0.8%
Metro Brands Ltd	8.00	-34%	0.65	8.1%
Khadim India Ltd	6.26	-19%	-0.33	-5.3%
Liberty Shoes Ltd	4.58	-30%	0.005	0.1%
Campus Group*	7.18	-2.2%	0.55	7.6%

Note: NA-Not Available

*Campus Group consists of Campus Activewear Pvt Ltd. And Campus AI Pvt Ltd. Numbers for Fiscal 2021 are provisional numbers as per rating rationale

Source: Company Quarterly Financials, Rating rationale, CRISIL Research

Retail Sales for Key Players (Fiscal 2021)

Players	Total Domestic Revenue (in billions)	Domestic retail sales (in billions)	Domestic Retail sales as a % of Total domestic sales
Largely retail based model			
Bata India Ltd*	17.0	~15-16^^	~90%^^
Metro Brands Ltd*	8.0	12.1	100.0%
Khadim India Ltd*	6.3	3.0	47.3%
Mirza International Ltd	6.7	6.7	100.0%
Largely distribution / wholesale based model			
Relaxo Footwear Ltd	22.4	N.A.	7-8%^
Paragon Group (PPPPL)	16.3^^	N.A.	-
Liberty Shoes Ltd	4.6	N.A.	-
Campus Activewear Pvt Ltd	7.1	N.A.	-

Note: *Numbers mentioned are Retail sales as a percentage of total sales (and not just domestic sales). Export forms less than 1% share in total revenue for Bata as of Fiscal 2020 and Fiscal 2021

Here retail refers to sales through own retail channels and not through distribution channels

^ - According to Investor call transcript May 2021

^^ - Fiscal 2020 data

Source: Companies' annual reports, CRISIL Research

Metro Brands in among the top 5 footwear brands in India. Metro Brands ranks fourth highest in India in terms of domestic footwear sales among the footwear players listed above in Fiscal 2021

Average selling price (ASP) Key players

Players	FY 2019	FY 2020	FY 2021
Bata India Ltd	620	620	534
Khadim India Ltd	461	-	423^
Metro Brands Ltd	1321	1346	1328
Liberty Shoes Ltd	403	380-400*	380-400*
Relaxo Footwear Ltd	125	134	124

Note: N.A. - Not Available

*Based on data from Fiscal 2018-2019

^ - Based on retail business sales of ₹ 2,960.5 million and volume of 7 million pairs for Fiscal 2021

Source: Companies' annual reports, CRISIL Research

Metro Brands had the highest Average Selling Price or realization per unit from Fiscal 2019 to Fiscal 2021 among its peers such as Bata India Limited, Khadim India Limited, Liberty Shoes Limited and Relaxo Footwear Limited in the industry.

Gross Margins (%) for Key players

Players	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Largely retail based model							
Bata India Ltd	37.0%	36.0%	36.3%	37.6%	39.5%	39.6%	24.8%
Metro Brands Ltd	38.9%	38.6%	39.0%	42.2%	42.0%	41.7%	37.4%
Khadim India Ltd	17.1%	23.4%	24.2%	23.4%	22.4%	19.6%	16.7%
Mirza International Ltd	25.5%	28.6%	29.5%	32.3%	26.6%	27.6%	33.2%
Largely distribution / wholesale based model							
Relaxo Footwear Ltd	34.1%	36.1%	30.4%	30.5%	27.4%	28.6%	30.8%
Paragon Group (PPPPL)	25.8%	30.4%	27.7%	21.8%	19.8%	20.8%	-
Liberty Shoes Ltd	22.2%	24.4%	21.9%	20.9%	22.9%	22.1%	35.7%
Campus Activewear Pvt. Ltd	-	-	-	25.4%	26.0%	~26.0%	36.9%

Note: Gross margin is calculated by subtracting direct manufacturing cost such as fuel, power, employee to have a comparable parameter between manufacturers and retailers

Source: Companies' annual reports, CRISIL Research

Net Profit Margins (%) for key players

Players	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Largely retail based model							
Bata India Ltd	8.6%	9.0%	6.4%	8.4%	11.2%	10.8%	-5.0%
Metro Brands Ltd	11.2%	10.8%	10.8%	13.0%	13.1%	12.5%	8.1%
Khadim India Ltd	-4.9%	4.6%	5.0%	4.6%	2.6%	-4.0%	-5.3%
Mirza International Ltd	3.0%	8.4%	7.5%	8.0%	4.1%	3.6%	0.8%
Largely distribution / wholesale based model							
Relaxo Footwear Ltd	6.7%	7.0%	7.4%	8.2%	7.6%	9.4%	12.2%
Paragon Group (PPPPL)	1.4%	4.3%	4.7%	3.0%	1.8%	3.2%	NA
Liberty Shoes Ltd	2.0%	2.2%	1.3%	1.2%	1.1%	1.7%	0.1%
Campus Activewear	N.A	N.A	N.A	1.8%	8.7%	9.5%	3.8%

Note: NA – Not available

Source: Companies' annual reports, CRISIL Research

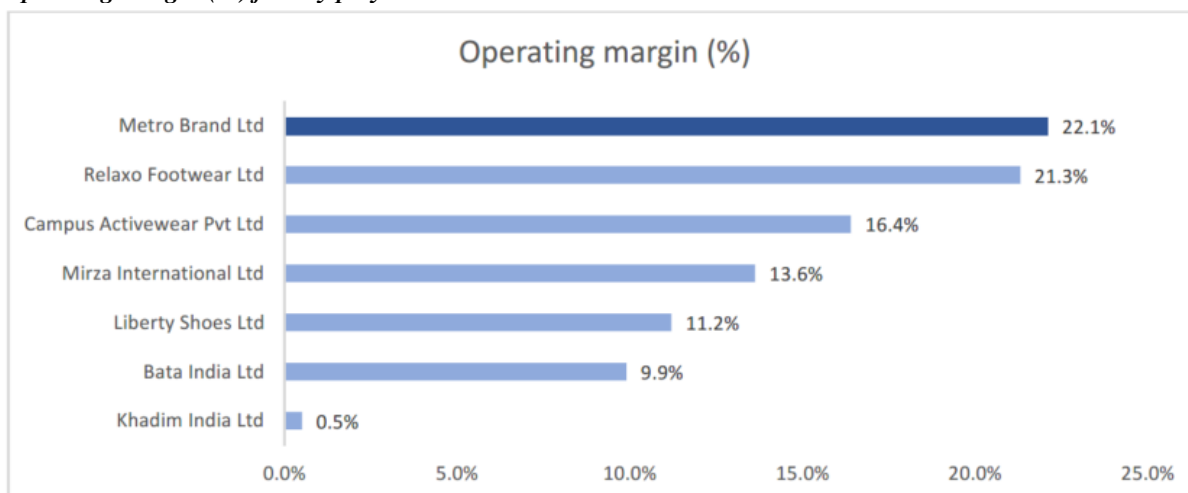
Metro Brands reported the highest net profit margin of 8.1% in Fiscal 2021 among the footwear player having majorly retail business model for reaching customers (Bata India, Metro Brands, Mirza International, and Khadim India) and ranks second among the footwear players listed above in Fiscal 2021. Retail business was impacted during pandemic with large players reporting a decline of 20-40% in revenue for Fiscal 2021. Metro Brand was one of the top performers in terms of operating margins from Fiscal 2015 to Fiscal 2021 among the footwear players listed above. Metro Brand had the highest operating profit margins from Fiscal 2017 to Fiscal 2021 amongst the footwear players listed above.

Operating profit margin (%) for key players

Players	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Largely retail based model							
Bata India Ltd	13.1%	12.1%	11.9%	13.8%	16.8%	27.7%	9.9%
Metro Brands Ltd	18.4%	18.1%	17.3%	20.8%	20.3%	27.8%	22.1%
Khadim India Ltd	3.4%	10.2%	10.9%	10.5%	7.4%	4.5%	0.5%
Mirza International Ltd	15.62%	18.42%	17.21%	18.01%	12.42%	13.62%	11.3%
Largely distribution / wholesale based model							
Relaxo Footwear Ltd	13.6%	14.2%	15.4%	15.6%	14.7%	17.3%	21.3%
Paragon Group (PPPPL)	7.4%	10.8%	9.4%	6.4%	5.7%	7.4%	-
Liberty Shoes Ltd	7.8%	9.4%	7.6%	7.4%	6.8%	9.3%	11.2%
Campus Activewear Pvt. Ltd	-	-	-	11.5%	12.9%	11.7%	16.4%

Source: Company Annual Report, CRISIL Research

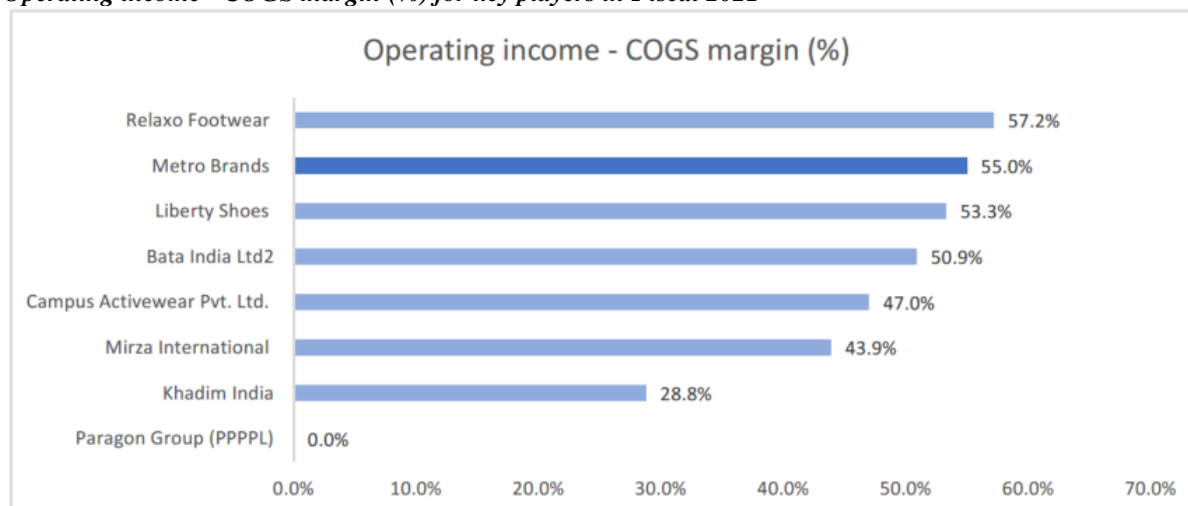
Operating margin (%) for key players in Fiscal 2021



Note: Operating Margin = OPBDIT Divided By Operating Income

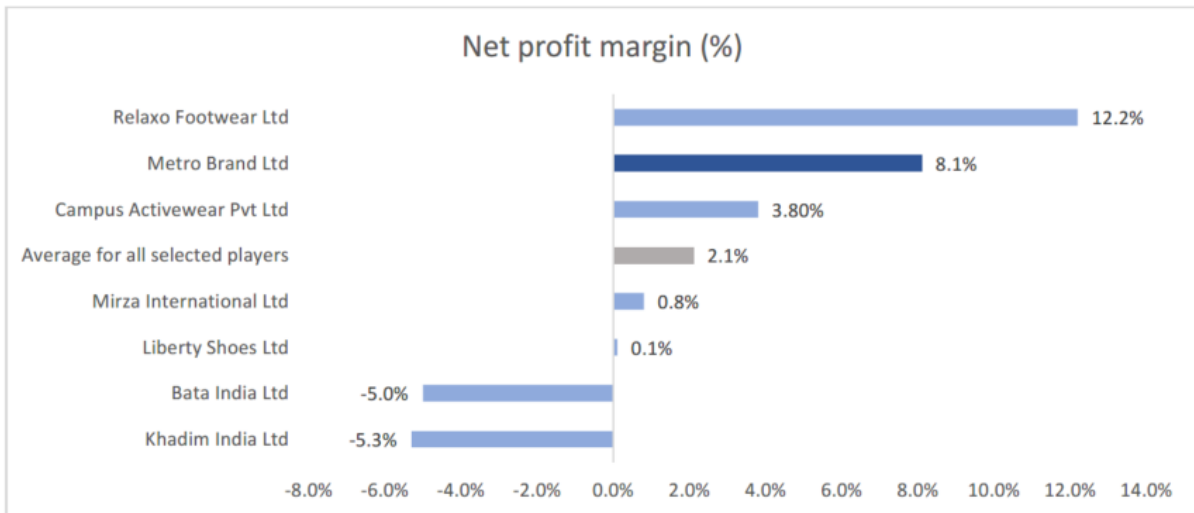
Source: Company Annual Report, CRISIL Research

Operating income - COGS margin (%) for key players in Fiscal 2021



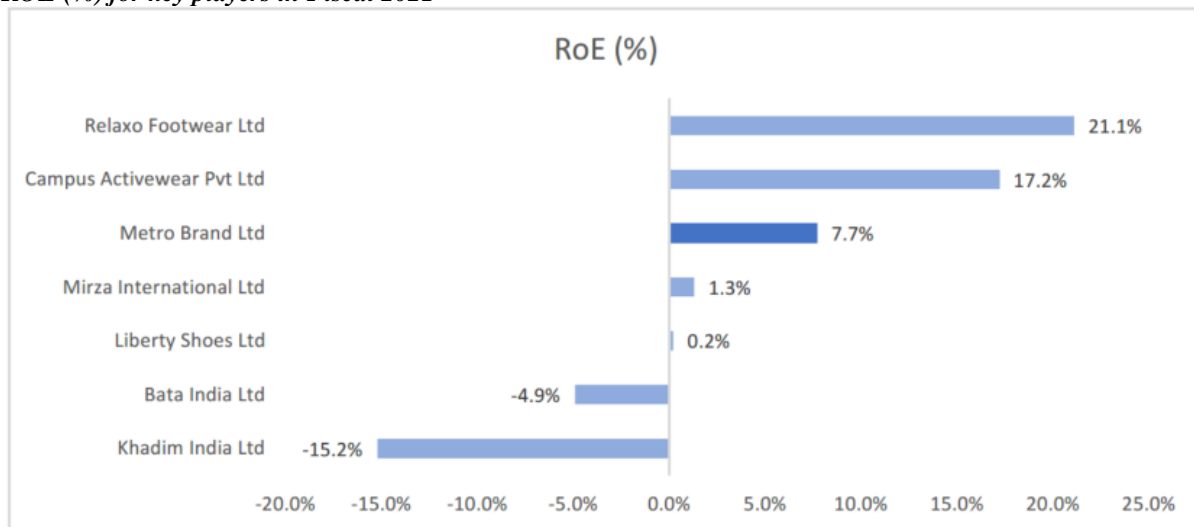
Note: (Op. income – COGS) Margin is calculated as {operating income – (raw material cost + cost of traded goods + consumables + discretion in inventory) / operating income}
 Source: Companies' annual reports, CRISIL Research

Net Profit margin (%) for key players in Fiscal 2021



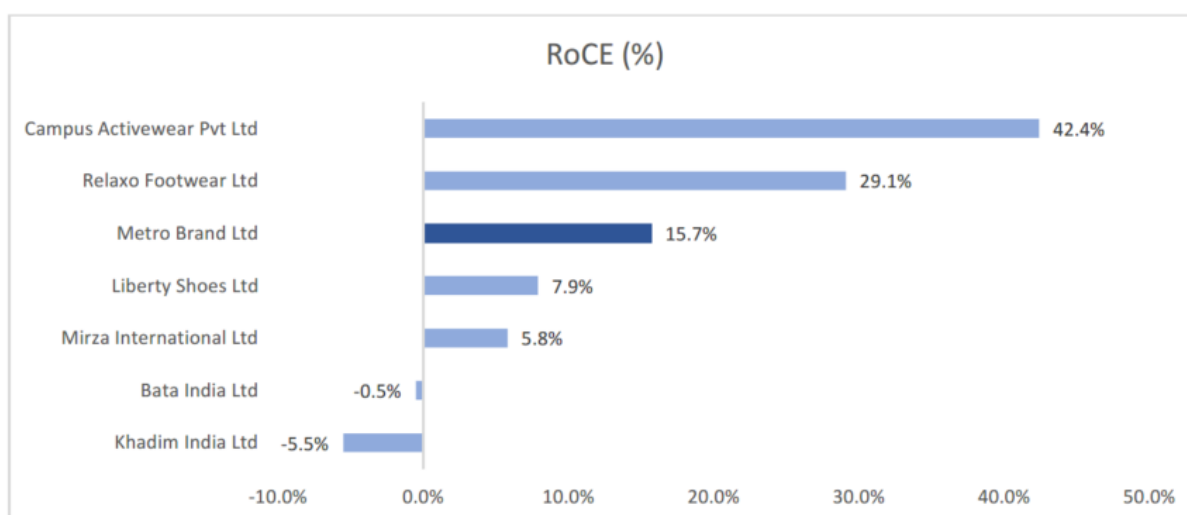
Note: Net Profit margin = PAT Divide By Operating Income
 Source: Company Annual Report, CRISIL Research

ROE (%) for key players in Fiscal 2021



Note: ROE = PAT Divide By Tangible Net Worth
 Source: Company Annual Report, CRISIL Research

ROCE (%) for key players in Fiscal 2021



Note: ROCE = PBIT Divide By Total Debt Plus Tangible Network
Source: Company Annual Report, CRISIL Research

Advertising, publicity and sales promotion (APSP) expense

Players	Operating revenue in FY15 (Rs billion)	APSP expense in FY15 (Rs billion)	APSP expense as % of operating revenue (%)	Operating revenue in FY21 (Rs billion)	APSP expense in FY21 (Rs billion)	APSP expense as % of operating revenue (%)	CAGR for APSP expenses FY15-21 (%)
Bata India Ltd*	26.8	0.3	1.0%	17.1	0.3	2.0%	3.4%
Relaxo Footwear Ltd	14.8	1.2	8.0%	23.6	0.7	2.9%	-8.4%
Paragon Group (PPPPL)	7.9	0.3	4.2%	NA	NA	NA	N.Ap.
Mirza International Ltd	9.2	0.1	1.3%	10.5	0.3	2.4%	12.7%
Metro Brands Ltd	7.3	0.2	3.1%	8.0	0.2	2.0%	16.6%
Khadim India Ltd	4.6	0.2	3.7%	6.3	0.2	3.2%	2.4%
Liberty Shoes Ltd	5.2	0.2	4.0%	4.6	0.1	1.3%	-19.0%
Campus Activewear Pvt Ltd (FY2018-FY2021)	4.0^	0.2^	5.0%	7.1	0.3	4.6%	26.7%^^

Note: For calculating APSP expense, all the line items in balance sheet under advertising, selling expense and promotion expense have been included.

NA is not available

N.Ap. is not applicable

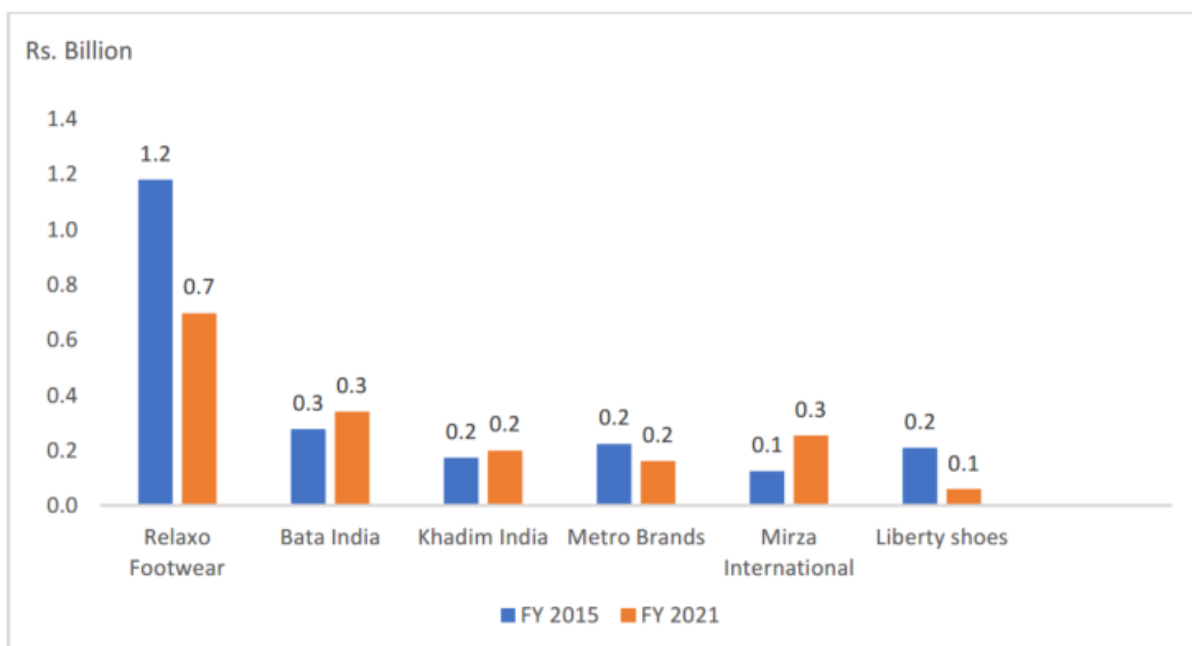
^Numbers mentioned are for Fiscal 2018

^^CAGR is calculated for Fiscal 2018 to Fiscal 2020

*The company was following December ending format until December 2013 and it has shifted to the March year end format since Fiscal 2015. Hence, the numbers of Fiscal 2015 include data for 15 months.

Source: Company Annual Report, CRISIL Research

Advertising, publicity and sales promotion (APSP) expenses for key players



Source: Company Annual Report, CRISIL Research

Followers on social media

Brands (Followers in thousands)	Facebook	Twitter	Instagram
Bata India Ltd	8,115	14.0	147
Metro Brands Ltd	1,798	11.6	243.7
Liberty Shoes Ltd	255	1.1	22.2
Paragon Group (PPPPL)	140	6.0	19.0
Relaxo Footwear Ltd	159	1.7	200.7*
Khadim India Ltd	104	0.7	19.6
Mirza International Ltd	108	3.0	25.4
Campus Shoes	417	3.9	59.9

Note: The value mentioned above represents number of followers (in thousands) on official social media page of respective brands as on November 16, 2021

For Metro Brands Ltd (formerly known as Metro Shoes Ltd), the followers are for Metro, Mochi and Walkway brand pages combined. For Mirza International, the numbers are for the brand RedTape. *For Relaxo Footwear Instagram followers, the followers are the addition of its three major brands Bahamas, Flite and Sparx

Source: CRISIL Research

Employee Cost

Players	Operating revenue in FY15 (Rs billion)	Employee expense in FY15 (Rs billion)	Employee expense as % of operating revenue (%)	Operating revenue in FY21 (Rs billion)	Employee expense in FY21 (Rs billion)	Employee expense as % of operating revenue (%)	CAGR for Employee expenses FY15-21 (%)
Bata India Ltd*	26.8	3.1	11.6%	17.1	3.4	19.9%	1.4%
Relaxo Footwear Ltd	14.8	1.3	9.1%	23.6	3.0	12.8%	14.4%
Paragon Group (PPPPL)	7.9	0.5	6.0%	NA	NA	NA	NA
Mirza International Ltd	9.2	0.5	5.0%	10.5	0.9	12.8%	11.8%
Metro Brands Ltd	7.3	0.6	8.6%	8.0	1.0	8.5%	8.5%
Khadim India Ltd	4.6	0.5	10.0%	6.3	0.6	15.9%	4.7%
Liberty Shoes Ltd	5.2	0.6	12.3%	4.6	0.7	9.7%	2.0%
Campus Activewear Pvt Ltd (FY18-FY21)	4.0^	0.25^	6.3%^	7.1	0.6	7.0%	30%**

Note: *The company was following December ending format until December 2013 and it has shifted to the March year end format since Fiscal 2015. Hence, the numbers of FY15 include data for 15 months.

^Figures are for Fiscal 2018

**Data from Fiscal 2018 to Fiscal 2021 considered for growth calculation

Source: Company Annual Report, CRISIL Research

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Footwear brands of major players in the industry

Metro Brands Ltd	Bata India Ltd*	Relaxo Footwear Ltd	Khadim India Ltd	Liberty Shoes Ltd	Paragon Group	Mirza International Ltd.
Owned Brands						
<ul style="list-style-type: none"> • Metro Shoes • Mochi • Walkway • Gen X • Princess • Signatures • Davinchi • J Fontini • Biofoot • Activ • Haute Diva • Pro 	<ul style="list-style-type: none"> • Bata • Mocassino • Ambassador • Bata Comfit • Marie Claire • Bubblegummers • Power • North Start • Naturalizer • Sundrops • Weinbrenners • Scholl(f) • Hush Puppies(f) 	<ul style="list-style-type: none"> • Bahamas • FLITE • Sparx • Schoolmate • Elena and Casualz 	<ul style="list-style-type: none"> • Khadim's • British Walkers • Lazard • Turk • Cleo • Sharon • Softouch • Adrianna • Bonito 	<ul style="list-style-type: none"> • Coolers • Force 10 • Healers • Senorita • Fortune • Gliders • Windsor • Adventures of Lucy & Luke • Perfect • A-Ha • Leap 7X 	<ul style="list-style-type: none"> • Paragon Max • Vertex • Stimulus • Solea • Paralite • Arcade • Casual • Dolly • Dolly flat • Flat Lite • P-Toes • Escoute • Fender • Rubber based • School shoes • Slickers • Solea Plus • Sonar • Vertex Plus • Walkie • Meriva 	<ul style="list-style-type: none"> • Redtape • Redtape Athleisure • Bond Street • Mode • Oaktrak • Yezdi
Other thirdparty brands						
<ul style="list-style-type: none"> • Crocs • Clarks • Buckaroo • Fitflop • iD • Sparks • Skechers • Language • Florsheim • Kittens • Mardi Gras 	<ul style="list-style-type: none"> • Scholl • Hush Puppies 					

* Bata India Ltd contains brands that are inherited from their global parent such as Hush Puppies

Source: Companies' websites, CRISIL Research

Key observations:

- Metro Brands Limited is the fourth largest player in terms of revenues with an operating income of ₹ 8.0 billion in Fiscal 2021 among the peers mentioned above. Relaxo Footwear, with an operating income of ₹ 23.6 billion, has the highest revenues amongst the footwear players listed above. In terms of revenue growth, Campus Activewear Private Limited has the highest growth rate of 20.3% CAGR between Fiscal 2018 and Fiscal 2021. Metro Brands Limited has achieved a growth rate of -9.9% CAGR during the same period
- Metro Brands Limited enjoys the highest operating margins and second highest net margin of 22.1% and 8.1%, respectively as of Fiscal 2021 among its peers such as Bata India Limited, Relaxo Footwear Limited,

Paragon, Mirza International, Khadim India Limited, Liberty Shoes Limited and Campus Activewear in the industry. Relaxo Footwear recorded the highest net margin of 12.4% in Fiscal 2021

- Metro had the highest net margins from Fiscal 2015 to Fiscal 2020 among the footwear players mentioned above.
- Metro Brands Limited also has the highest gross margin of 37.4% as of Fiscal 2021 among the footwear players mentioned above. Metro Brands registered the highest gross margin from Fiscal 2015 to Fiscal 2021 among the footwear players mentioned above
- Metro Brands Limited registered Operating income – COGS margin of 55.0% in Fiscal 2021
- Metro Brands Limited has the third highest Return on Equity ratio (ROE) of 7.7% and third highest ROCE ratio of 15.7% in Fiscal 2021, amongst players like Bata India Limited, Khadim India Limited, Liberty Shoes Limited, Campus Activewear Private Limited and Relaxo Footwear Limited in the footwear and accessories industry. Campus Activewear Private Limited had the highest ROCE of 42.4% and Relaxo Footwear Limited had the highest ROE ratio of 21.1% during the same period
- As of Fiscal 2021, Metro Brands Limited had the third highest number of exclusive retail stores at 586, after Bata India Limited (at 1,526) and Khadim India Limited (at 757) from the list of players mentioned in the table below:

Company	Number of exclusive retail stores (FY20)	Number of exclusive retail stores (FY21)	Operating Revenue per store (FY20) (Rs mn)*	Operating Revenue per store (FY21) (Rs mn)*	ASP per pair of footwear (FY20)	ASP per pair of footwear (FY21)
Bata India Ltd	1,558	1,526	20	~10	620	534
Khadim India Ltd	795	757 [§]	10	4	-	423
Metro Brands Ltd (formerly known as Metro Shoes Ltd)	551	586	21	14	1346	1328
Liberty Shoes Ltd	425	N.A	16	N.A	380-400 ^{^^}	380-400 ^{^^}
Relaxo Footwear Ltd	390	398	N.M	N.M	135	124
Mirza International Ltd [§]	222	276	17	17	N.A.	N.A

Note: *The list of companies in the list above includes such companies which are not purely retail facing and have substantial portion of their operating revenues flowing in from wholesale and distribution business.

Here exclusive retail stores indicate exclusive retail store for the company and there may be multiple brands, both owned and partner brands sold in such outlets.

[^]Based on data from Fiscal 2018 - 2019

^{^^}Based on data from Fiscal 2017 - 2018

^{^^^} Fiscal 2020 data point

N.M. Not meaningful as revenue from exclusive stores is not available

N.A. Not available

[§]: Data for Mirza International for revenue per store is for exclusive retail outlets and revenue from these EBOs

Source: Company Annual Report Fiscal 2020, CRISIL Research

- Metro Brands Limited is among the aspirational Indian brand in footwear category (aspirational footwear brand is defined as one catering to mid and premium segments having higher retail ASP than average market). As of Fiscal 2021, Metro Brands had the highest Average Selling Price (ASP) or realization per unit of ₹ 1,328 from the list of Indian players mentioned in the table above. Metro Brands Limited majorly caters to economic to premium category of footwear leading to higher average selling price.
- Metro Brands provides 4% points as loyalty bonus for net value of purchase. Metro Brands Limited provides the highest loyalty points credit for customers among the Indian footwear players listed above. Net value is gross value minus taxes paid.

OUR BUSINESS

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2019, 2020 and 2021 and the six months ended September 30, 2020 and September 30, 2021 included herein is derived from the Restated Consolidated Financial Information, included in this Prospectus. Unless otherwise indicated or the context otherwise requires, in this section, references to “the Company” or “our Company” are to Metro Brands Limited on a standalone basis, and references to “the Group”, “we”, “us”, “our”, are to Metro Brands Limited on a consolidated basis. The information as of and for the six months ended September 30, 2020 and September 30, 2021 is not annualized. Further, unless otherwise indicated, references to “Product Sales” are to revenue from sale of footwear, bags and accessories by our Company (on a standalone basis) and does not include sale of raw materials and other sales. For further information relating to various defined terms used in our business operations and sales channels, see “Definitions and Abbreviations” on page 1. For further information on our Product Sales, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures” on page 299.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Assessment of organised retail and footwear industries in India” dated August 2021 with Addendum dated November 2021 (the “CRISIL Report”), prepared and issued by CRISIL Limited appointed on May 5, 2021, exclusively commissioned and paid for by our Company in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. A copy of the CRISIL Report is available on website of our Company at <https://metrobrands.com/corporate-governance/>. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors – Industry information included in this Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose” on page 37. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 15.

Overview

We are one of the largest Indian footwear speciality retailers, and are among the aspirational Indian brands in the footwear category (*Source: CRISIL Report*). We opened our first store under the Metro brand in Mumbai in 1955, and have since evolved into a one-stop shop for all footwear needs, by retailing a wide range of branded products for the entire family including men, women, unisex and kids, and for every occasion including casual and formal events. As of September 30, 2021, our Company operated 598 Stores (as defined below) across 136 cities spread across 30 states and union territories in India. We target the economy, mid and premium segments in the footwear market, which together are expected to grow at a higher rate compared to the total footwear industry between Fiscal 2020 and 2025. These segments have a higher presence of organised players and their growth in the overall footwear industry is expected to accelerate growth of the organized segment in the footwear industry (*Source: CRISIL Report*). Our Company had the third highest number of exclusive retail outlets in India, in Fiscal 2021 (*Source: CRISIL Report*). In Fiscal 2019, 2020, and 2021 and in the six months ended September 30, 2020 and September 30, 2021, we recorded an EBITDA Margin of 27.72%, 27.51%, 21.36%, (7.57)% and 24.43%, respectively (on a consolidated basis). For further information, see “Management’s Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year” on page 299. Our Company recorded a Realization per Unit i.e. revenue from Total Product Sales divided by volume of Total Product Sales, of ₹ 1,321.29, ₹ 1,345.80, ₹ 1,327.96, ₹ 1,279.85 and ₹ 1,381.27, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively. Our Company recorded the highest Realization per Unit compared to the two leading players in India from Fiscal 2019 to Fiscal 2021 and in Fiscal 2020 we recorded the highest operating margins among the key players in India. Additionally, in Fiscal 2021, we recorded the highest net profit margin of 8.1% among footwear players having majorly retail business model for reaching customers. (*Source: CRISIL Report*)

We retail footwear under our own brands of Metro, Mochi, Walkway, Da Vinci and J. Fontini, as well as certain third-party brands such as Crocs, Skechers, Clarks, Florsheim, and Fitflop, which complement our in-house brands. We believe these brands have a pan-India appeal across regions. We also offer accessories such as belts, bags, socks, masks and wallets, at our stores. We also retail footcare and shoe-care products at our stores through our joint venture, M.V. Shoe Care Private Limited, making us a ‘one-stop-shop’ for all footwear and related accessories to our customers.

Our retail operations are carried out through our stores and distributors as well as through online channels. We primarily follow the “company owned and company operated” (“COCO”) model of retailing through our own Multi Brand Outlets (“MBOs”) and Exclusive Brand Outlets (“EBOs”), to better manage customer experience at our stores. We operate Metro, Mochi and Walkway branded MBOs and Crocs™ branded EBOs. Our Company and our Subsidiary Metmill also operate shop-in-shops (“SIS”) in major departmental stores across India. We also distribute products of third-party brands through MetMill and retail products through franchisees. MBOs, EBOs, SIS, and franchisees, operated by our Company together referred to in this Prospectus as “Stores”. In addition to our physical Stores, we provide an omni-channel experience to customers through our websites, various online marketplaces, as well as, social media platforms. All our brands are listed and are sold across various leading marketplaces for B2C and B2B operations. In Fiscal 2021, In-Store Product Sales, Online Product Sales, and Omni-Channel Product Sales represented 91.93%, 6.15%, and 1.09%, of our Company’s revenue from operations, respectively (on a standalone basis) while in the six months ended September 30, 2021, In-Store Product Sales, Online Product Sales, and Omni-Channel Product Sales represented 87.17%, 8.90%, and 3.03%, of our Company’s revenue from operations, respectively (on a standalone basis).

We strive to optimize our mix of in-house brands and third-party brands in our MBOs to drive customer footfalls, improve sales density and gross margins. Revenue from sale of in-house brands and third-party brands in our MBO stores represented 69.24% and 30.76% of our Company’s revenue from MBOs in Fiscal 2021, respectively, while they represented 71.08% and 28.92% of our Company’s revenue from MBOs in the six months ended September 30, 2021. We leverage our strong understanding of the retail footwear market and apply data analytics to develop and launch margin accretive in-house brands to meet evolving consumer trends. We carefully curate our merchandise keeping in mind regional preferences. Our wide range of brands allows us to operate across the economy (₹501 to ₹1,000), mid (₹1,001 to ₹3,000) and premium (more than ₹3,001) segments (*Source: CRISIL Report*). Our diversified business model provides us with synergies by spanning consumer segments, categories and distribution channels.

Our Company’s total Store count has grown from 504 in 116 cities as of March 31, 2019 to 586 stores across 134 cities as of March 31, 2021 and to 598 stores across 136 cities as of September 30, 2021. We have a pan-India presence through our Store network in prominent high streets, malls and airports, spread across 30 states and union territories in India as of September 30, 2021 and have opened 127 new MBOs (including seven through franchises) and 110 new EBOs in the last three Fiscals and six months ended September 30, 2021. We are also in the process of strengthening our retail presence through franchisees for our Walkway brand. As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, our Company operated Stores with a total Retail Business Area of 643,442 sq. ft., 694,955 sq. ft., 720,994 sq. ft., 692,211 sq. ft. and 734,217 sq. ft., respectively.

We endeavour to drive our sales through a strong focus on product assortment – a Theory-of-Constraints (“TOC”) method for our supply chain, offering greater availability and reducing stock-outs. This is coupled with an incentive-based remuneration system for our front-end and backend sales staff. We operate on an asset light model with third-party manufacturing through long-standing vendor relationships, optimum store size and layout, and long-term lease arrangements. We introduce new designs frequently through our vendor engagements based on our combined understanding of prevailing trends and regional sensitivity. To efficiently manage inventory for our wide range of products, we follow a pull model for product availability at our stores where product placement is led by a demand driven inventory replenishment method. This helps us ensure optimum inventory management and accessibility to the latest products. Our business is consumer-centric and we have loyalty programs for our customers, including Club Metro, My Mochi, and Crocs Club. Our loyalty programmes have given us insights into customer preferences and trends over the years, further enabling us to tailor our product offerings to our customers' preferences. As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, Club Metro had more than 3.75 million, 4.45 million, 4.85 million, 4.55 million and 5.09 million members, respectively, and My Mochi had more than 2.40 million, 2.95 million, 3.29 million, 3.02 million and 3.47 million members, respectively. The loyalty program for Crocs was launched in Fiscal 2020, and had more than 0.24 million, 0.45 million, 0.31 million and 0.59 million members as of March 31, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, respectively.

Our Chairman and Promoter, Mr. Rafique A. Malik, has over 50 years of experience in the footwear retail business and continues to provide strategic insights and overall direction to our business based on his long experience of understanding customer preferences and demands in the industry in which we operate. Ms. Farah Malik Bhanji, our Managing Director and our Promoter, has more than 20 years of experience in the footwear retail business. She has helped us in the expansion of our store network, forging new strategic partnerships and in the overall growth of our business. Ms. Alisha R. Malik, also one of our Promoters and President, E-Commerce and Marketing, has been instrumental in developing and managing our online channels, and establishing our omni-channel approach. We have also recently engaged Mr. Nissan Joseph as our CEO, who brings more than 20 years

of retail and brand management experience to our operations. We have also been supported by our investors, including Mr. Rakesh Jhunjhunwala since 2007.

We have a strong track record of revenue growth and profitability. The following table sets forth certain key performance indicators for the periods indicated, on a consolidated basis:

	As of and for the year ended March 31,			As of and for the six months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million, except percentages)				
Revenue from Operations	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
EBITDA ⁽¹⁾	3,373.26	3,535.11	1,709.25	(133.63)	1,114.20
EBITDA Margin ⁽²⁾	27.72%	27.51%	21.36%	(7.57)%	24.43%
Restated Profit After Tax for the Year	1,527.31	1,605.75	646.19	(431.15)	430.74
PAT Margin ⁽³⁾	12.55%	12.49%	8.08%	(24.42)%	9.45%
ROE ⁽⁴⁾	22.82%	19.33%	7.63%	(5.75)%	5.00%
ROCE ⁽⁵⁾	25.89%	20.07%	9.54%	(2.00)%	5.77%
Inventory Turnover Ratio ⁽⁶⁾	1.50	1.52	1.24	0.28	0.58

Notes:

1. EBITDA is calculated as restated profit after tax for the year / period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
2. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
3. PAT Margin is calculated as restated profit after tax for the year / period as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of PAT Margin to Revenue from Operations" on page 301.
4. ROE is calculated as restated profit after tax for the year / period divided by total equity. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Return on Equity to Total Equity" on page 300.
5. ROCE is calculated as EBIT divided by Capital Employed. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Capital Employed and Return on Capital Employed to Total Assets" on page 299.
6. Inventory Turnover Ratio is calculated as cost of goods sold divided by inventory. Cost of goods sold is aggregate of purchases and changes in inventories of stock in trade during the relevant period.

Our Company recorded a Realization per Unit of ₹ 1,321.29, ₹ 1,345.80, ₹ 1,327.96, ₹ 1,279.85 and ₹ 1,381.27, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively, and Revenue per Sq. Ft. of more than ₹ 17,500, ₹ 16,800, ₹ 10,150, ₹ 2,275 and ₹ 5,400, in such periods, respectively. Our business has strong cash flow generation due to which we did not have any significant indebtedness as of September 30, 2021.

Competitive Strengths

One of India's largest pan India footwear retailers with a brand appeal among aspirational consumer segments in the fast-growing footwear retail industry

We are one of the largest Indian footwear speciality retailers, and are among the aspirational Indian brands in the footwear category (*Source: CRISIL Report*). Our Company also had the third highest number of exclusive retail outlets in India in Fiscal 2021. (*Source: CRISIL Report*). As of September 30, 2021, we had a pan-India presence through 598 Stores (across Metro, Mochi and Walkway branded MBOs, Crocs™ branded EBOs, and Walkway franchisees and SIS) located in 136 cities spread across 30 states and union territories in India, operated by our Company.

Our Company operated a total Retail Business Area of 734,217 sq. ft., through its Stores as of September 30, 2021. Our operations are well-spread across metro cities, tier I, II and III cities and towns, and across all four zones of India. The table below sets forth our Total Store Product Sales, by zone:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales
South ⁽¹⁾	3,511.54	31.17%	3,679.68	31.46%	2,321.92	31.65%	540.05	34.29%	1,359.27	34.21%
West ⁽²⁾	3,797.27	33.70%	3,857.79	32.98%	2,201.42	30.00%	435.48	27.65%	1,066.91	26.85%
North ⁽³⁾	2,410.74	21.40%	2,473.36	21.14%	1,609.04	21.93%	353.56	22.45%	916.04	23.06%
East ⁽⁴⁾	1,547.25	13.73%	1,686.44	14.42%	1,204.97	16.42%	245.80	15.61%	630.90	15.88%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%

* Total Store Product Sales refers to the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Notes:

1. South Region comprises Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana

2. West Region comprises Goa, Gujarat, Maharashtra and Rajasthan

3. North Region comprises Chandigarh, Delhi, Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh and Uttarakhand

4. East Region comprises Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Manipur, Meghalaya, Nagaland, Odisha, Sikkim, Tripura and West Bengal

The table below sets forth our Total Store Product Sales, by area:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales
Metro ⁽¹⁾	4,668.03	41.43%	4,678.68	40.00%	2,441.26	33.27%	480.62	30.52%	1,414.42	35.60%
Tier I ⁽²⁾	3,547.38	31.49%	3,664.81	31.33%	2,393.33	32.62%	478.48	30.38%	1,261.90	31.76%
Tier II ⁽³⁾	2,386.20	21.18%	2,543.05	21.74%	1,797.74	24.50%	421.07	26.74%	949.43	23.90%
Tier III ⁽⁴⁾	665.19	5.90%	810.73	6.93%	705.02	9.61%	194.72	12.36%	347.37	8.74%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Notes:

1. Metro cities are cities with population of more than five million. In this Prospectus, metro cities refer to Mumbai, Kolkata, Delhi, Bengaluru, Chennai, Ahmedabad, Pune and Hyderabad.

2. Tier I cities are cities with population between one million to five million.

3. Tier II cities are cities with population between 0.3 million to one million.

4. Tier III cities are cities with population below 0.3 million.

We strive to remain relevant to our customers as they evolve in their premiumization journey and recorded the highest Average Selling Price (“ASP”) from Fiscal 2019 to Fiscal 2021 among key players (Source: CRISIL Report), as set out below:

Players	Fiscal 2019	Fiscal 2020	Fiscal 2021
	(₹)		
Bata India Limited	620	620	534
Khadim India Limited	464	494	519
Metro Brands Limited	1321	1346	1328

Liberty Shoes Limited	403	380-400*	380-400*
Relaxo Footwear Limited	125	134	124

Note: N.A. - Not Available

*Based on data from Fiscal 2019

Source: Companies' annual reports, CRISIL Research

The Indian footwear consumption in value terms is expected to grow at a CAGR of 15% to 17% between Fiscal 2022 and Fiscal 2025. Growth is estimated to be driven by value, with ASP of footwear expected to increase by a CAGR of around 5% to 7% between Fiscal 2022 and Fiscal 2025, driven by an overall shift in preference for premium categories of footwear. This is also expected to drive growth of the market share of organized players by a CAGR of approximately 20% to 22% in the same period. The market share of online footwear sales are also expected to grow at a CAGR of 26% to 30% between Fiscal 2020 and Fiscal 2025. (Source: CRISIL Report).

Wide range of brands and products catering to all occasions across age groups and market segments resulting in strong customer loyalty

Across our various brands, we are a one-stop-shop family retailer catering to the footwear needs of men, women and children for different occasions including casual and formal events. Our men's, women's and children's product lines benefit from the Metro reputation for style, quality, comfort, innovation and affordability. Our wide range of brands allows us to operate across the economy, mid and premium segments.

The table below sets forth certain information on our Total Store Product Sales for the periods indicated:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales
By Target Customer										
Men	4,616.99	40.98%	4,498.54	38.46%	2,800.54	38.17%	570.85	36.25%	1,396.15	35.14%
Women	4,499.96	39.94%	4,785.83	40.91%	2,827.62	38.54%	586.26	37.22%	1,592.86	40.09%
Unisex	633.88	5.63%	785.87	6.72%	675.34	9.20%	207.58	13.18%	433.87	10.92%
Kids	461.96	4.10%	552.47	4.72%	356.61	4.86%	75.87	4.82%	164.13	4.13%
Accessories	1,054.01	9.35%	1,074.56	9.19%	677.24	9.23%	134.33	8.53%	386.11	9.72%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%
By Price Range ⁽¹⁾										
Below ₹ 500	589.40	5.23%	566.05	4.85%	377.56	5.14%	82.69	5.25%	175.30	4.41%
From ₹ 501 to ₹ 1,500	2,165.27	19.22%	2,009.86	17.18%	1,096.04	14.94%	251.68	15.98%	568.89	14.32%
From ₹ 1,501 to ₹ 3,000	4,857.43	43.11%	5,168.34	44.18%	3,193.03	43.52%	694.72	44.11%	1,782.57	44.87%
Above ₹ 3,001	3,654.70	32.44%	3,953.02	33.79%	2,670.72	36.40%	545.80	34.66%	1,446.36	36.40%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Notes:

1. Price Range refers to the price at which the products, i.e., includes footwear, bags, and accessories were sold.

Due to our large network of multiple store formats located in key markets, and our ability to leverage our omni-channel presence in India, we believe, we have become a partner of choice for third-party brands. As of September 30, 2021, we sold footwear as well as accessories across more than 10 owned brands and more than 25 third-party brands. In our experience, we are able to evenly distribute our sales with low seasonality in operations through

our optimum mix of in-house brands and complementary third-party brands across the premium and affordable segments. The table below sets forth brand-wise Total Store Product Sales at MBOs for the periods indicated:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)
Own brands	7,100.66	70.33%	7,024.65	69.38%	4,267.23	69.24%	790.77	63.66%	2,323.37	71.08%
Third-party brands	2,994.90	29.67%	3,100.00	30.62%	1,895.38	30.76%	451.45	36.34%	945.40	28.92%
Total Store Product Sales at MBOs *	10,095.56	100.00%	10,124.65	100.00%	6,162.61	100.00%	1,242.22	100.00%	3,268.77	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Our active brand portfolio management ensures that we pick third-party brands which complement our in-house brands and which we view to have high growth potential. Our key third-party brands include Crocs, Skechers, FitFlop, Clarks, I-D, PRO and Von Wellx. The table below sets forth certain information on our key brands as of and for the year ended March 31, 2021:

Store Format	Target Customer	Number of stores ⁽¹⁾	Cities	Price Range ⁽²⁾	Average Realization per Unit (₹) ⁽³⁾
Metro MBO	Family	219	118	From ₹ 1,000 to ₹ 10,000	1,404.91
Mochi MBO	Youth	145	76	From ₹ 1,000 to ₹ 10,000	1,422.45
Crocs™ EBO	Premium	149	75	From ₹ 1,500 to ₹ 6,000	1,938.47
Walkway MBO	Value format	73	40	From ₹ 350 to ₹ 3,500	571.34

Notes:

1. The number of stores for Walkway includes shop-in-shop (SIS) operated by us and stores operated under franchisee arrangements.
2. Price range also refers to MRP of the inventory and represents 85% of the inventory value of the respective store format. Price range is limited to footwear and does not include accessories and shoe and shoe-care products.
3. Average Realization per Unit refers to the Total Store Product Sales divided by volume of Products Sold at the Stores.

The table below sets forth certain information on our key brands as of and for the six months ended September 30, 2021:

Store Format	Target Customer	Number of stores ⁽¹⁾	Cities	Price Range ⁽²⁾	Average Realization per Unit (₹) ⁽³⁾
Metro MBO	Family	220	119	From ₹ 1,000 to ₹ 10,000	1,481.86
Mochi MBO	Youth	147	77	From ₹ 1,000 to ₹ 10,000	1,471.19
Crocs™ EBO	Premium	159	75	From ₹ 1,500 to ₹ 6,000	2,046.98
Walkway MBO	Value format	72	39	From ₹ 350 to ₹ 3,500	597.03

Notes:

1. The number of stores for Walkway includes shop-in-shop (SIS) operated by us and stores operated under franchisee arrangements.
2. Price range also refers to MRP of the inventory and represents 85% of the inventory value of the respective store format. Price range is limited to footwear and does not include accessories and shoe and shoe-care products.
3. Average Realization per Unit refers to the Total Store Product Sales divided by volume of Products Sold at the Stores.

We seek to offer consumers a vast array of stylish and comfortable footwear that satisfies their formal, casual, and athleisure footwear needs. We believe our core consumers are attracted to our aspirational brand image, fashion-forward designs and affordable product range. Many of our core styles are also targeted at the premium segment of our customer base. We also offer accessories such as belts, bags, wallets and shoe care products. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, our Company's revenue from sale of accessories in our Stores (including sales generated online but delivered from the Stores) represented 9.35%, 9.19%, 9.23%, 8.53% and 9.72% of our Total Store Product Sales, respectively.

Our merchandising and design team sources new designs regularly for consumers across diverse ethnicities and segments for various seasons and festivals. We draw our inspiration from the fashion trends and contemporary colours of the season. We follow and survey fashion trends across international and domestic markets to understand the evolving needs of the consumers. Our strong understanding of evolving consumer preferences has enabled us to create and grow our brands.

We take into account feedback from our customers while developing new designs and products. In addition, sharing consumer insights across our businesses further strengthens our ability to connect with our end consumers more effectively. We believe our focus on customer delight has led to a high score for customer satisfaction evidenced by the Litmus Rating that we received in Fiscal 2021 which was in the range of 4.6 to 4.7 (rating out of 5). As of September 30, 2021, our customer loyalty programmes, Club Metro, My Mochi, and Crocs Club had more than 5.09 million, 3.47 million and 0.59 million respectively. In recent Fiscals, we have witnessed a high proportion of repeat sales, i.e. purchases subsequent to the first purchase by members of our loyalty programs. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2021, repeat sales by members of our loyalty programs represented 45.08%, 49.69%, 55.71% and 54.31% of our Total Store Product Sales (excluding sales at our Walkway stores).

Efficient operating model through deep vendor engagements and TOC based supply chain

We have long-standing relationships with many of our vendors, and work with them to continuously introduce new designs, which are regularly updated. In the last three Fiscals and six months ended September 30, 2021, we dealt with over 250 vendors for our products. We have been dealing with certain of our vendors for over 20 years, and we leverage these relationships together with our combined understanding of evolving customer preferences, regional sensitivities, and prevailing trends, to frequently introduce new designs and styles. Through our merchandising and design team and continued engagements with our vendors, we are able to translate trends into products efficiently and remain relevant to our growing customer base by catering to various segments across price points.

To efficiently manage our extensive vendor network, supply chain, and inventory for our wide range of products, we follow a pull model for product availability at our stores where product placement is led by a demand driven inventory replenishment method. We endeavour to drive our sales through a strong focus on product assortment – a theory-of-constraints method for our supply chain offering greater predictability of latest products, availability of products in demand and reducing stock-outs. Our demand driven lean inventory norms ensures optimum capital employed, minimizes stale stock, thereby reducing discounting of products and improving our gross margins. As a result, we liquidate our inventory (18 months or older) only twice a year, primarily through our stores, and discounted sales from our Stores represented 6.68%, 8.05%, 9.01%, 9.15% and 6.97% of our Total Store Product Sales in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021. This is also reflected in our ROCE, which was 25.89%, 20.07%, 9.54%, (2.00)% and 5.77% in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively, on a consolidated basis. For further information, see “*Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Capital Employed and Return on Capital Employed to Total Assets*” on page 299.

Asset light business with an efficient operating model leading to sustained profitable growth

We are among the few footwear retailers in India to source all our products through outsourcing arrangements without our own manufacturing facility, resulting in an asset light model. (*Source: CRISIL Report*) Our asset light model is based on third-party manufacturing by long-standing vendor relationships, and supported by active brand portfolio management, optimum store size and layout, and long-term lease arrangements.

Owing to our scale of operations and strong supplier network, we are able to leverage better margins with our vendors and enter into arrangements with third-party brands on terms favourable to us. For instance, under most of our arrangements for third-party brands, we are required to pay for products only once these products are sold

by us; and under certain arrangements, we are also entitled to return ageing inventory to the brand owner, thereby limiting our inventory risk.

We seek to operate our stores based on variable cost structures in terms of lease rentals and employee expenses. We operate stores either on a fixed lease basis or revenue share basis with landlords and follow a robust location and store selection process primarily targeting high streets, malls and airports. The compensation of our store managers includes a significant variable pay for performance component to incentivise them by following an entrepreneurial model of operations at an individual store-level. The variable component of our store-level employee remuneration is pegged to store-level sales to contain volatility of store-level margins. We also seek to strengthen our Walkway brand using a franchisee model, to further enhance our efficiencies as fixed asset costs and recurring rental expenses are borne by the franchisee.

As of September 30, 2021, we had 598 Stores, of which 260 were in malls, 307 were located on high-streets, 10 in airports and 21 were SIS. We opened 120 new MBOs (other than franchisee), 110 new Crocs EBOs, and franchised 7 MBOs in the last three Fiscals and in the six months ended September 30, 2021. Due to our focus on our store selection process, majority of our Stores were profitable in the last three Fiscals and in the six months ended September 30, 2021 resulting in closures of only 58 Stores in such time. We operate Stores on a uniform layout, and ambience, to offer a consistent shopping experience. In the six months ended September 30, 2021, the average size of our Metro MBOs, Mochi MBOs and Walkway MBOs (excluding SIS) was 1,579 sq. ft., 1,512 sq. ft. and 1,333 sq. ft., respectively.

From Fiscal 2019 to Fiscal 2021, we recorded the highest Realization per Unit, and in Fiscal 2020 we recorded the highest operating margins, and net margins among our peers in the industry, such as Bata India Limited, Liberty Shoes Limited and Relaxo Footwear Limited. In addition, we had the highest net margins from Fiscal 2015 to Fiscal 2020 among the key players. (Source: CRISIL Report) We also had the highest ROE and second highest ROCE ratio in Fiscal 2020, amongst key players in the Indian footwear and accessories industry. (Source: CRISIL Report) Set forth below are key performance indicators for the periods indicated (on a consolidated basis):

	As of and for the year ended March 31,			As of and for the six months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million, except percentages)				
EBITDA Margin ⁽¹⁾	27.72%	27.51%	21.36%	(7.57)%	24.43%
PAT Margin ⁽²⁾	12.55%	12.49%	8.08%	(24.42)%	9.45%
ROE ⁽³⁾	22.82%	19.33%	7.63%	(5.75)%	5.00%
ROCE ⁽⁴⁾	25.89%	20.07%	9.54%	(2.00)%	5.77%

Notes:

1. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year / Period" on page 299.
2. PAT Margin is calculated as restated profit after tax for the year / period as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of PAT Margin to Revenue from Operations" on page 301.
3. ROE is calculated as restated profit after tax for the year / period divided by total equity. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Return on Equity to Total Equity" on page 300.
4. ROCE is calculated as EBIT divided by Capital Employed. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Capital Employed and Return on Capital Employed to Total Assets" on page 299.

Our Company recorded a Realization per Unit i.e. revenue from Total Product Sales divided by volume of Total Product Sales, of ₹ 1,321.29, ₹ 1,345.80, ₹ 1,327.96, ₹ 1,279.85 and ₹ 1,381.27, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively. We believe our asset light model, relatively low capital expenditure and optimised operating expenses, together with repeat sales through customer loyalty has enabled us to sustain profitable growth.

Presence across multiple formats and channels

We own and operate stores of both MBO and EBO formats. We operate a broad retail distribution set-up that is complemented by scalable e-commerce capabilities including through tie-ups with select commercial partners. Choice of store format depends on the store location, brands retailed and the target customer audience. Further, we also engage distributors and have SIS in major departmental stores. With an increase in research driven purchases online, we have set-up an omni-channel experience for customers through our online platforms. Our customers are able to order-in-store, buy online and ship-from-store. We operate websites for our various brands and have an extensive online presence. These are brand websites directly managed by us. They include

www.metroshoes.net, www.mochishoes.com, and www.walkwaysshoes.com. Majority of our online business also comes through leading e-commerce marketplaces. We also market our products on various social media platforms, and engage with our customer base through home-visits and instant messaging channels such as WhatsApp. As of September 30, 2021, we marketed our products through three websites and dedicated pages in seven major Indian e-commerce marketplaces; and catered to our online orders through a designated operations area at our warehouse. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, our Total Online Product Sales amounted to ₹ 191.08 million, ₹ 306.22 million, ₹ 571.57 million, ₹ 205.69 million and ₹ 525.42 million, respectively, which represented 1.65%, 2.53%, 7.25%, 11.60% and 11.93%, of our revenue from operations in such periods, respectively, on a standalone basis.

Like our stores, we also own and operate our e-commerce operations, and have invested in an e-commerce specific warehouse management system that integrates our store network with our online platform. The integrated system streamlines order management, product picking, packaging and shipment, to offer a seamless omni-channel experience to our customers. Our integrated supply chain is also enabled by the successful implementation of enterprise resource planning at our head office and warehouse.

Our online operations provide us a well-rounded marketing platform and access to rich data enabling insightful analytics on sales, customer preferences and trends. As of July 31, 2021, we had the highest number of followers on Instagram, among the key footwear retailers in India (*Source: CRISIL Report*).

Platform of choice for third party brands looking to expand in India

We believe we have grown to be a platform of choice for other national and international third-party brands on the back of our footwear focussed retailing experience since 1955, track record of successfully incubating and scaling up various retail brands, and extensive pan-India operations through which we have gained strong insight on evolving customer preferences across demographics. This has also been reflected through our successful partnership with Crocs™, a global brand offering innovative casual footwear for women, men and children, with a focus on its moulded products (*Source: CRISIL Report*). We entered into a retail license arrangement with Crocs™ in 2015, and have since expanded Crocs™ branded EBOs throughout the country. We opened 110 Crocs EBOs in the last three Fiscals and in the six months ended September 30, 2021 and had 159 Crocs™ EBOs in our network as of September 30, 2021. Revenue of our Crocs™ EBOs has consistently increased over the years.

We currently retail Fitflop products, a global brand offering shoes for all-day wearing, using a combination of biomechanics, comfort and fashion at our MBOs. We have entered into a non-binding term sheet dated July 27, 2021 with Fitflop, (the “Fitflop TS”). The Fitflop TS set out, among other matters, our exclusive right to distribute Fitflop products in India via all channels including online. We are currently in the process of entering into a distribution agreement with Fitflop which is under negotiation and has not been finalized as on the date of this Prospectus.

We believe several factors contribute to our successful expansion of third-party branded stores in India including our strong market position and wide reach across India, healthy store economics achieved through optimising our operational costs and our several years of retailing experience serving customers of different ethnicities and markets. When approached by other brands, we continue to evaluate similar arrangements with them as part of our active brand portfolio management. We believe we are well positioned to help other third party brands to achieve similar expansion and growth in India. For further details, please see “*Risk Factors - A significant portion of our revenue is generated from sale of third-party brands, and the loss of one or more such brands, or a reduction in demand for their products could adversely affect our business, results of operations, financial condition and cash flows.*” on page 37.

Strong promoter background and an experienced and entrepreneurial management team with a proven track record and a high degree of employee ownership

Our business is consumer-centric. Our Chairman and Promoter, Mr. Rafique A. Malik, has over 50 years of experience in the footwear retail business and continues to provide strategic insights and overall direction to our business based on his long experience of understanding customer preferences and demands in the industry in which we operate. Our Managing Director and Promoter, Ms. Farah Malik Bhanji, has more than 20 years of experience in the footwear retail sector. She has helped us in the expansion of our store network, forging new strategic partnerships and in the overall growth of our business. Ms. Alisha R. Malik, also one of our Promoters and President, E-Commerce and Marketing, has been instrumental in developing and managing our online channels, and establishing our omni-channel approach. To strengthen our transition to a professionally managed business, we have also recently engaged Mr. Nissan Joseph as our CEO, who brings more than 20 years of retail and brand management experience to our operations. We have also been supported by our investor, including Mr.

Rakesh Jhunjhunwala since 2007. In addition to our Promoters, our Board is composed of experienced industry and management professionals.

Our COO, Mr. Sohail Kamdar has considerable experience as an operations professional and has been with our Company for more than 16 years and is dedicated to the sustainable growth of our business. Our CFO, Mr. Kaushal Khodidas Parekh previously served as Associate Vice President, Ernst & Young Private Limited, is a qualified chartered accountant and has been associated with our Company for more than 9 years. Our experienced senior management team have helped us to inculcate and set high standards of customer service, quality product offerings and operating efficiency at our stores. Our senior management have a proven track record and an in-depth understanding of the branded footwear retail business in India and local consumer preferences.

We believe that our employees have been an important factor in our success. The compensation model for our store managers is largely variable and has helped us follow an entrepreneurial structure. Many of our store managers have been with us for several years beginning their association as stock boys and getting promoted to salesmen followed by assistant managers and then store managers. By growing with our operations, our workforce has developed a deep understanding of our customer driven culture and strong sales focus. Together with our entrepreneurial store model, we have followed transparent management policies which we believe has led to a high degree of employee ownership helping us expand our business and achieving success.

Strong track record of growth and profitability and financial discipline

From Fiscal 2019 to Fiscal 2021, we recorded the highest Realization per Unit, and in Fiscal 2020 we recorded the highest operating margins, and net margins among the key players in India (*Source: CRISIL Report*). Our total store count has grown from 504 Stores across 116 cities as of March 31, 2019 to 586 Stores across 134 cities as of March 31, 2021 and to 598 Stores across 136 cities as of September 30, 2021.

We have a strong track record of revenue growth and profitability. The following table sets forth certain key performance indicators for the periods indicated, on a consolidated basis:

	As of and for the years ended March 31			As of and for the years ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million, except percentages)				
Revenue from Operations	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
Gross Margin ⁽¹⁾	6,683.31	7,144.99	4,395.79	884.92	2,599.97
Gross Margin (%)	54.91%	55.60%	54.94%	50.12%	57.02%
EBITDA ⁽²⁾	3,373.26	3,535.11	1,709.25	(133.63)	1,114.20
EBITDA Margin ⁽³⁾	27.72%	27.51%	21.36%	(7.57)%	24.43%
Restated Profit After Tax for the Year	1,527.31	1,605.75	646.19	(431.15)	430.74
PAT Margin ⁽⁴⁾	12.55%	12.49%	8.08%	(24.42)%	9.45%
ROE ⁽⁵⁾	22.82%	19.33%	7.63%	(5.75)%	5.00%
ROCE ⁽⁶⁾	25.89%	20.07%	9.54%	(2.00)%	5.77%
Inventory Turnover Ratio ⁽⁷⁾	1.50	1.52	1.24	0.28	0.58

Notes:

1. Gross Margin is calculated as revenue from operations less purchases, changes in inventories of stock-in-trade. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Gross Margin to Revenue from Operations" on page 301.
2. EBITDA is calculated as restated profit after tax for the year, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
3. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
4. PAT Margin is calculated as restated profit after tax for the year as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of PAT Margin to Revenue from Operations" on page 301.
5. ROE is calculated as restated profit after tax for the year divided by total equity. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Return on Equity to Total Equity" on page 300.
6. ROCE is calculated as EBIT divided by Capital Employed. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Capital Employed and Return on Capital Employed to Total Assets" on page 299.
7. Inventory Turnover Ratio is calculated as cost of goods sold divided by inventory. Cost of goods sold is aggregate of purchases and changes in inventories of stock in trade during the relevant period.

Our demand driven lean inventory norms which minimizes stale stock and discounting of products, has helped improve our gross margins. As a result, we have achieved the highest Realization per Unit, than other retailers in India in Fiscal 2021. Further, in Fiscal 2020, we recorded working capital days of 30.2 days (*Source: CRISIL Report*). As our business has strong cash flow generation, we have not availed any significant indebtedness as on September 30, 2021. We have been declaring and paying out dividend to shareholders consistently since Fiscal 2000, on the back of our strong financial performance. In the last three Fiscals, we paid / declared a dividend of ₹ 384.14 million, ₹ 398.30 million and ₹ 398.30 million, as applicable, at a dividend payout ratio of 25.15%, 24.80% and 61.64%, of our restated profit after tax. For further information, see “*Dividend Policy*” on page 210.

Our Strategy

Expand our store network in existing and new Indian cities

CRISIL Research notes that the footwear industry will benefit from the rise in retail and consumer expenditure on account of rising disposable incomes of Indian consumers, desire for better standard of living, higher favourable working age group, nuclearisation of families, and change in consumer attitudes towards branded products. The share of organised players’ is expected to grow at a CAGR of approximately 20% to 22% between Fiscal 2022 and Fiscal 2025 to comprise approximately 36% to 40% of the total footwear industry market by Fiscal 2025. Specifically, the footwear industry will witness growth on account of change in consumer attitude to footwear, from utility to fashion wear, higher demand for active footwear, growing fashion and lifestyle market, and penetration of Indian and foreign brands in footwear (*Source: CRISIL Report*).

Our total Store count has grown from 504 in 116 cities as of March 31, 2019 to 586 in 134 cities as of March 31, 2021 and to 598 Stores across 136 cities as of September 30, 2021. As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, our Company operated Stores with a total Retail Business Area of 643,442 sq. ft., 694,955 sq. ft., 720,994 sq. ft., 692,211 sq. ft. and 734,217 sq. ft., respectively. In particular, for the Walkway brand of footwear, we propose to focus on franchise arrangements to increase our network of Walkway stores in India. We propose to utilize proceeds from the Fresh Issue to establish 260 new stores, under various formats. For further details, see “*Objects of the Offer*” on page 103.

The key factor influencing the expansion of our stores is the selection of suitable locations. We will continue to adopt a methodical approach in evaluating and selecting suitable locations for the establishment of new stores, such as local population density, and identifying prime retail areas. For further information on our site selection criteria and process, see “ – *Our Operations – Selection of new store locations*” on page 171.

Leverage our multi-channel platform to pursue new business opportunities

Building on our successful expansion of Crocs™ franchise in India, we will continue to leverage our existing multi-channel platform to evaluate similar opportunities in the future. We currently retail Fitflop products, a global brand offering shoes for all-day wearing, using a combination of biomechanics, comfort and fashion at our MBOs. We have entered into a non-binding term sheet dated July 27, 2021 with Fitflop, (the “Fitflop TS”). The Fitflop TS set out, among other matters, our exclusive right to distribute Fitflop products in India via all channels including online. We are currently in the process of entering into a distribution agreement with Fitflop which is under negotiation and has not been finalized as on the date of this Prospectus. We continue to evaluate similar and other arrangements, including licensing arrangements with other national as well as international brands as part of our active brand portfolio management and seek new brands which we believe to have high potential in our markets and are complementary to our existing in-house brands.

We continue to take a long-term view of the partnerships we enter into with third-party brands; investing time to understand a new brand, the target customer segment and their expansion aspirations. With more than seven decades of experience and insights in managing customer requirements and expectations in multiple channels including our MBO and EBO format stores, our e-commerce websites as well as third-party online marketplaces; we believe we are well-positioned to offer a unique and scalable pan-India platform to new footwear and accessory brands looking to expand in India. Our asset light model and low indebtedness further makes us an attractive retailer to partner with for brands that require reach and visibility.

Increase contribution of e-commerce and omni-channel sales as a proportion of our sales

We intend to leverage our existing capabilities to increase our e-commerce operations. We intend to integrate our omni-channel model as well as apply new technologies to further expand and improve our operations to handle individual customer deliveries and enhance customer buying experience with faster dispatches. Our Total Online

Product Sales have grown at a CAGR of 72.95% from ₹ 191.08 million in Fiscal 2019 to ₹ 571.57 million in Fiscal 2021 and was ₹ 525.42 million in the six months ended September 30, 2021.

According to CRISIL, as of Fiscal 2021, e-retailing occupied approximately 6.1% share in the total retail market in India. CRISIL considers the factors such as pandemic-boostered demand for online retail and increasing success of brick-and-mortar players focusing on online sales channels in e-retailing's sharp growth during Fiscal 2021. Going forward, CRISIL Research expects e-retailing segment to grow at a CAGR of 8.5% to 9.5% to occupy a share of 28% to 32% in total retailing as of Fiscal 2022. Over the long term, CRISIL Research estimates the online retail segment to grow at a healthy CAGR of approximately 28% to 34% from Fiscal 2020 to Fiscal 2025. CRISIL notes that the growth potential for Indian e-retail in the long term continues to remain strong driven by increasing internet penetration, greater usage of smartphones, lower cost of connectivity and improved quality, and expansion of transport and logistics across pan-India coupled with convenience offered in terms of display and ease in comparison across brands and styles (*Source: CRISIL Report*).

We also intend to grow our dedicated team of e-commerce operations. We propose to make further investments in digital marketing to build an omni-channel engagement experience for our customers. In addition, we intend to invest in content generation to build engagement with a younger audience. We will continue to focus on analytic technologies to create personalized journeys for customers and increase ATV, drive customer loyalty, increase the number of transactions per customer through active customer engagement, and introduce complementary products. Through these measures, we aim to expand revenue generating channels as well as become a digitally relevant brand for the Indian customer in the footwear and accessories market.

Expand portfolio of accessories and grow other allied businesses

Indian consumers are increasingly co-ordinating their outfits with watches, bags, wallets, belts, fashion jewellery, scarfs, sunglasses and other accessories. Key retailers expanding their product portfolio to include related accessories allows them to offer a consistent and complete experience to the customers under one roof. Further, the accessories segment in India is largely unorganised and hence represents sizable opportunities for existing retailers to gain additional market share (*Source: CRISIL Report*).

We continue to look at new opportunities to increase our in-house range of belts, wallets, socks and handbags, by leveraging on our understanding of the Indian consumer market. We intend to introduce a wider range of products under our existing brands of accessories based on consumer preferences and demand, and assess international and local fashion trends and evolving market preferences in order to evaluate the feasibility of new types of product introductions. We intend to leverage our existing vendor arrangements, distribution, and retail network through our MBOs, in order to effectively launch and distribute our new products.

We sell "PRO" Accessories through our joint venture that we entered into in August 2016 seeing the potential to grow the footcare and shoe care business in India. We plan to expand our accessories business through higher sales of branded PRO products. We believe this also positions us well as an outsourcing partner for other third-party brands seeking to develop and expand their in-house line of shoe care products.

In 2018, the Company entered into a deed of assignment pursuant to which it was unconditionally assigned the 'Cheemo' brand. Cheemo is an haute couture brand for handbags and premium ethnic accessories. Cheemo develops bags and footwear based on in-depth understanding of Indian handicrafts. We launched our first collection with Cheemo shoes and handbags in November 2018 and plan to continue to grow this collection and brand in the future.

We also distribute the range of foot care accessories and insoles of another prominent footwear and footcare brand. We believe this will help us increase our foot care accessory sales. We will distribute this range of products through our MBO format stores as well continue to evaluate other channels for distribution in the future.

Evaluate accretive inorganic growth opportunities

We intend to continue our expansion through an active evaluation of inorganic opportunities, partnerships, tie-ups and franchises (including international opportunities). We will evaluate acquisition opportunities based on our targeted returns, operational scale and diversification criteria and on whether we consider these opportunities to be available at reasonable prices that we can fund through our internal accruals. We believe that our experienced operational and management teams will enable us to identify, structure, execute and integrate acquisitions effectively based on our demonstrated ability to partner with several third party brands, such as Crocs™.

Introduce and expand our portfolio of environmentally sustainable footwear

We believe constant innovation in developing new products that are well-received by our target consumers is vital to our continuing success. Sustainability has been becoming a major point of focus for the global fashion industry in recent times (*Source: CRISIL Report*). Consumers all across the globe are increasingly demanding products that have a minimal impact on the environment (*Source: CRISIL Report*). In response, several footwear manufacturers are increasing their efforts to become more sustainable (*Source: CRISIL Report*). We intend to intensify our product development efforts to develop and launch sustainable footwear through alternate sources by optimizing our raw materials. For instance, we have recently developed a line of footwear using merino wool that is a natural fibre improving breathability of the shoe, making it suitable for summers and winters. By using merino wool and avoiding use of animal hide the shoe is largely vegan in its manufacturing process, and the material for the upper portion of the shoe is also biodegradable. We have similarly developed footwear by using materials created out of a yarn that is manufactured by upcycling the plastic from discarded PET bottles.

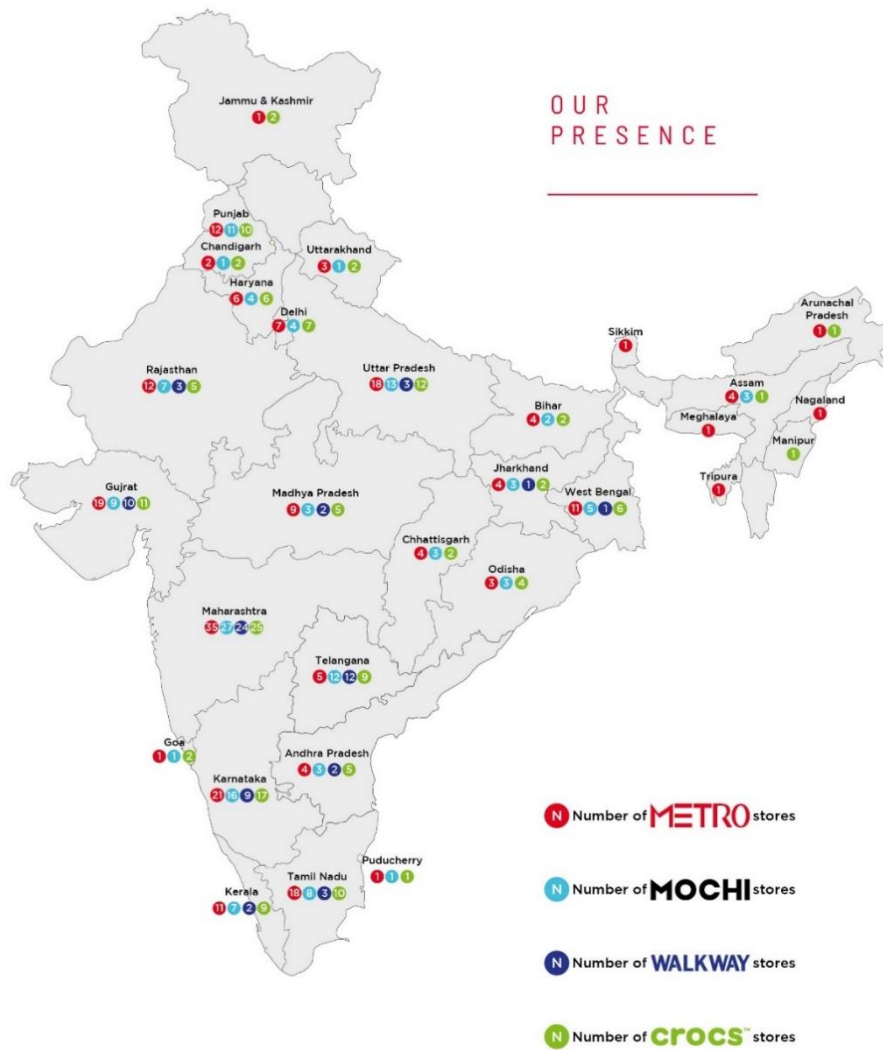
We are also in the process of introducing sustainable packaging for our products, and intend to replace our traditional paper boxes, paper bags and fillers with recycled paper. We intend to similarly introduce other sustainable products and continue to refine our packaging, to enable us to remain cost efficient by optimizing raw materials involved, while catering to the growing trend of sustainable fashion. To enable us to implement our plans, we intend to realign our resources to focus on product development and explore other opportunities on sustainability that we may pursue.

Our Operations

Distribution Channels

Retail stores

As of September 30, 2021, our Company operated 598 Stores in 136 cities across 30 states and union territories in India with a total Retail Business Area of 734,217 sq. ft. across our various brands.



The following table sets forth our total numbers of Stores for our key brands:

Stores	Number of stores as of March 31,			Number of stores as of September 30,	
	2019	2020	2021	2020	2021
Metro	209	218	219	214	220
Mochi	136	145	145	146	147
Walkway ⁽¹⁾	63	70	73	71	72
Crocs™	96	118	149	120	159
Total	504	551	586	551	598

Note: 1. The number of stores for Walkway includes shop-in-shop (SIS) operated by us and stores operated under franchisee arrangements

The following table sets forth our total numbers of Stores based on the zone of location:

Stores	Number of stores as of March 31,			Number of stores as of September 30,	
	2019	2020	2021	2020	2021
East ⁽¹⁾	60	70	75	71	75
West ⁽²⁾	172	182	190	181	191
North ⁽³⁾	113	130	142	132	146
South ⁽⁴⁾	159	169	179	167	186
Total	504	551	586	551	598

Notes:

1. East Region comprises Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Manipur, Meghalaya, Nagaland, Odisha, Sikkim, Tripura and West Bengal
2. West Region comprises Goa, Gujarat, Maharashtra and Rajasthan
3. North Region comprises Chandigarh, Delhi, Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh and Uttarakhand
4. South Region comprises Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana

The table below sets forth our Total Store Product Sales, by zone:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales
East ⁽¹⁾	1,547.25	13.73%	1,686.44	14.42%	1,204.97	16.42%	245.80	15.61%	630.90	15.88%
West ⁽²⁾	3,797.27	33.70%	3,857.79	32.98%	2,201.42	30.00%	435.48	27.65%	1,066.91	26.85%
North ⁽³⁾	2,410.74	21.40%	2,473.36	21.14%	1,609.04	21.93%	353.56	22.45%	916.04	23.06%
South ⁽⁴⁾	3,511.54	31.17%	3,679.68	31.46%	2,321.92	31.65%	540.05	34.29%	1,359.27	34.21%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Notes:

1. East Region comprises Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jharkhand, Manipur, Meghalaya, Nagaland, Odisha, Sikkim, Tripura and West Bengal
2. West Region comprises Goa, Gujarat, Maharashtra and Rajasthan
3. North Region comprises Chandigarh, Delhi, Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh and Uttarakhand
4. South Region comprises Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana

The following table sets forth our total numbers of Stores based on the type of city of location:

Stores	Number of stores as of March 31,			Number of stores as of September 30,	
	2019	2020	2021	2020	2021
Metro cities ⁽¹⁾	185	192	193	190	197
Tier I cities ⁽²⁾	165	179	188	179	189
Tier II cities ⁽³⁾	107	122	141	124	148
Tier III cities ⁽⁴⁾	47	58	64	58	64
Total	504	551	586	551	598

Notes:

5. Metro cities are cities with population of more than five million. In this Prospectus, metro cities refer to Mumbai, Kolkata, Delhi, Bengaluru, Chennai, Ahmedabad, Pune and Hyderabad.
6. Tier I cities are cities with population between one million to five million.
7. Tier II cities are cities with population between 0.3 million to one million.
8. Tier III cities are cities with population below 0.3 million.

The table below sets forth our Total Store Product Sales, by area:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales	Amount (₹ million)	% of Total Store Product Sales
Metro ⁽¹⁾	4,668.03	41.43%	4,678.68	40.00%	2,441.26	33.27%	480.62	30.52%	1,414.42	35.60%
Tier I ⁽²⁾	3,547.38	31.49%	3,664.81	31.33%	2,393.33	32.62%	478.48	30.38%	1,261.90	31.76%
Tier II ⁽³⁾	2,386.20	21.18%	2,543.05	21.74%	1,797.74	24.50%	421.07	26.74%	949.43	23.90%
Tier III ⁽⁴⁾	665.19	5.90%	810.73	6.93%	705.02	9.61%	194.72	12.36%	347.37	8.74%
Total Store Product Sales *	11,266.80	100.00%	11,697.27	100.00%	7,337.35	100.00%	1,574.89	100.00%	3,973.12	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Notes:

1. Metro cities are cities with population of more than five million. In this Prospectus, metro cities refer to Mumbai, Kolkata, Delhi, Bengaluru, Chennai, Ahmedabad, Pune and Hyderabad.
2. Tier I cities are cities with population between one million to five million.
3. Tier II cities are cities with population between 0.3 million to one million.

4. Tier III cities are cities with population below 0.3 million.

We primarily have two formats for our retail stores: MBOs and EBOs.

Multi-Brand Outlets (“MBOs”)

The average size of our Metro MBOs was 1,576 sq.ft., of Mochi MBOs was 1,490 sq.ft., and of Walkway MBOs was 1,348 sq.ft (excluding SIS), in Fiscal 2021 while the average size of our Metro MBOs was 1,579 sq.ft., of Mochi MBOs was 1,512 sq.ft., and of Walkway MBOs was 1,333 sq.ft (excluding SIS), in the six months ended September 30, 2021.

We operate MBOs for our Metro, Mochi and Walkway brands, and also sell our other brands in these MBOs including DaVinci, J Fontini, Princess, Activ and others. We also sell certain third-party brands at our MBOs, including Crocs™, Skechers and Fitflop. The table below sets forth brand-wise Total Store Product Sales at MBOs for the periods indicated:

	Fiscal						Six Months ended September 30,			
	2019		2020		2021		2020		2021	
	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)	Amount (₹ million)	% of Total Store Product Sales (MBOs)
Own brands	7,100.66	70.33%	7,024.65	69.38%	4,267.23	69.24%	790.77	63.66%	2,323.37	71.08%
Third-party brands	2,994.90	29.67%	3,100.00	30.62%	1,895.38	30.76%	451.45	36.34%	945.40	28.92%
Total Store Product Sales at MBOs *	10,095.56	100.00%	10,124.65	100.00%	6,162.61	100.00%	1,242.22	100.00%	3,268.77	100.00%

* Total Store Product Sales is the aggregate of In-Store Product Sales and Omni-Channel Product Sales, where In-Store Product Sales refer to Product Sales made to customers for orders placed at the Stores, and Omni-Channel Product Sales refer to Product Sales made from the Stores towards purchase orders placed online. Product Sales refer to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.

Exclusive Brand Outlets (“EBOs”)

As of September 30, 2021, we retailed our products through 159 EBOs in 26 states across India. The average size of our EBOs in Fiscal 2021 was 571 sq. ft while in the six months ended September 30, 2021, it was 578 sq. ft.

We operate EBOs for third-party brands such as Crocs™ in India. We believe that as the platform of choice for these third-party brands, we endeavour to ensure that customers at our EBOs are able to experience our levels of customer service while complying with fit-outs and outlet specifications set out in our arrangements.

Other Channels

We retail certain brands such as Walkway, Lemon & Pepper, and Haute Curry, through Shop-in-Shops, i.e. kiosks operated by us in larger format stores. Through MetMill, we also entered into a master distribution arrangement for distribution of Vento, a brand from Vietnam catering to the mass market.

E-commerce and Omni-channel

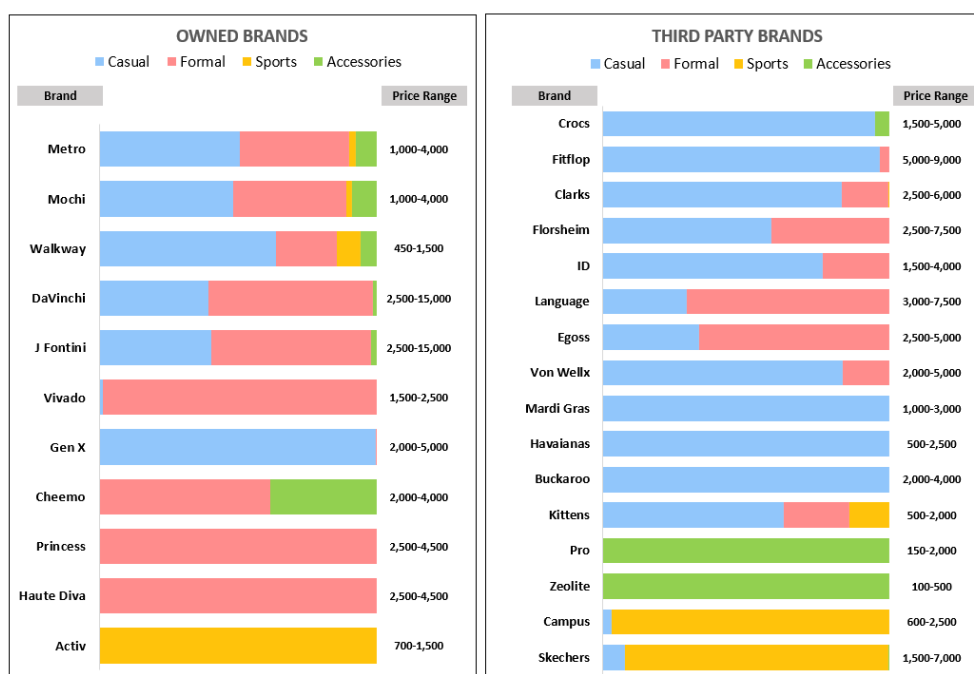
Our retail stores are supported by our company-owned e-commerce business in India, through websites, and business accounts on social media platforms and instant messaging channels such as WhatsApp. These virtual storefronts are designed with the intention of providing customers a positive shopping and brand experience, showcasing our products in an easy-to-navigate format, allowing consumers to browse our selection of products. In our experience, these virtual stores provide a convenient, alternative shopping environment and brand experience, and are an additional efficient and effective retail distribution channel, which has improved our customer service. They enable consumers to shop, browse, find store locations, socially interact, post a review, photo, video or question, and immerse themselves in our brands. Our websites are built as a progressive ‘web application’, i.e., with an app feel for mobile users, which we believe is more sustainable as users do not incur app download acquisition costs.

We are also present online through our tie-ups with leading e-commerce marketplaces. Total Online Product Sales amounted to ₹ 191.08 million, ₹ 306.22 million, ₹ 571.57 million, ₹ 205.69 million and ₹ 525.42 million, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively, and represented 1.65%, 2.53%, 7.25%, 11.60% and 11.93% of our revenue from operations in such periods, respectively (on a standalone basis). Our Total Online Product Sales increased at a CAGR of 72.95% between Fiscal 2019 and Fiscal 2021.

Orders received through our e-commerce channels are met by our warehouse that has a designated area allocated for this purpose. Owing to the growth in e-commerce operations we have invested in an integrated warehouse management system and order management system, to streamline online sales and omni-channel operations.

Brands Retailed

As of September 30, 2021, we retailed products of over 25 brands. Set forth below is certain information on the key brands retailed by us including the typical price range of products under these brands, and occasion-wise break-up of products based on the closing inventory of our Company as of September 30, 2021 (on a standalone basis). The chart below reflects the occasion-wise closing inventory of these brands as of September 30, 2021, more fully described in the table discussing the such occasion-wise percentage break up of our closing inventory as of September 30, 2021 under “ – Inventory and Supply Chain Management ” on page 173.



Note: For further information on the occasion-wise closing inventory of these brands as of September 30, 2021, see “ – Inventory and Supply Chain Management ” on page 173.

Metro

Established in 1955, Metro is a contemporary Indian fashion footwear and accessories brand offering a range of products with the latest designs and styles for all occasions. Its range includes casual footwear, work wear and embellished footwear for parties, festivals and weddings for the entire family. In addition to footwear, it also has a wide range of hand bags, belts, wallets and other accessories.

Metro’s footwear range is specially curated based on different regional preferences in India. It caters to consumers in the mid and premium segments.

As of September 30, 2021, we had 220 Metro branded MBO format stores.

Mochi

We commenced sale of products under the Mochi brand in 1986, and opened our first Mochi branded MBO in 2000. Mochi is a footwear and accessories brand targeting the youth while also catering to the entire family. This

brand provides footwear to the youth for their day, work, evening and party needs as well as for special occasions including weddings.

As of September 30, 2021, we had 147 Mochi branded MBO format stores.

Walkway

Walkway is a value brand that caters to the entire family. The Walkway format which was previously ‘MSL – More Shoes for Less’ started in 2009. Walkway offers footwear at value-for-money prices in the mass market segment. This everyday fashion brand provides affordable footwear to men, women and kids. Given the price conscious customer audience for this brand, we also retail products in SIS at major departmental stores.

As of September 30, 2021, we had 72 Walkway branded MBO format stores (including seven stores operated by franchisees and 21 SIS).

Crocs

Founded in Boulder, Colorado as a single-style clog in six colors, Crocs has grown to be a globally recognized brand for its iconic clog silhouettes. Crocs Inc. is engaged in the design, development, worldwide marketing, distribution, and sale of casual lifestyle footwear and accessories for women, men, and children. Crocs focuses on providing consumers with comfortable, casual, colourful, and innovative footwear styles, with a focus combining its simple design aesthetic with modern comfort, and expanded into a wide variety of casual footwear products including sandals, wedges, flips, and slides that meet the needs of the whole family. The vast majority of Crocs™ shoes feature Croslite™ material, a proprietary, moulded footwear technology that gives each pair of shoes soft, comfortable, lightweight, non-marking, and odour-resistant qualities. (Source: CRISIL Report).

We entered into a non-exclusive retail agreement with Crocs on April 25, 2015, as amended by way of an amendment agreements entered into on July 1, 2017 (together, the “**Crocs Agreement**”), under which we have been granted a right to sell Crocs products in India at stores and kiosks, as approved by Crocs. Pursuant to the Crocs Agreement, we have also been granted a right of first refusal to the opening of a retail store/ kiosk or outlet in India, as may be proposed by Crocs.

We operate our Crocs EBOs pursuant to the Crocs Agreement having a tenure of 18 years. After the first term of three years, the contract provides for automatic renewal for five successive periods of three years each. Under the Crocs Agreement, we are permitted to use the trademarks and other intellectual property under the Crocs brand, for the limited purpose of retailing Crocs products in India. For further details, please see “*Risk Factors – The operation of Crocs EBOs depends on our material agreements with Crocs, which impose certain restrictions, limitations and other obligations on our operations that could adversely affect our business, results of operations and financial condition.*” on page 37.

As of September 30, 2021, we had 159 Crocs™ branded EBO format stores.

Fitflop

Fitflop offers shoes for all-day wearing, using a combination of biomechanics, comfort and fashion. Fitflop products are designed to promote optimal body alignment while complementing the user’s natural walking style, by even distributing body weight to the extent possible. (Source: CRISIL Report)

We currently retail Fitflop products, a global brand offering shoes for all-day wearing, using a combination of biomechanics, comfort and fashion at our MBOs. We have entered into a non-binding term sheet dated July 27, 2021 with Fitflop, (the “Fitflop TS”). The Fitflop TS set out, among other matters, our exclusive right to distribute Fitflop products in India via all channels including online. We are currently in the process of entering into a distribution agreement with Fitflop which is under negotiation and has not been finalized as on the date of this Prospectus.

Acquisitions and Joint Venture

We entered into a shareholders agreement in August 2009 and a letter of amendment in September 2014 to acquire a 51.00% stake in Metmill. Metmill manages SIS counters and distribution of international brands like Vento and Modare. It also manages SIS counters in Shoppers Stop for its own brands (Lemon & Pepper) and Shopper Stop’s

brands like Haute Curry. Metmill has exclusive rights in India to manage international brands like Vento and Modare that are managed through distribution, ecommerce and SIS channels.

We entered into a joint venture and share subscription and purchase agreement in August 2016 under which we acquired a 49.00% stake in M.V. Shoe Care Private Limited. It is engaged in manufacturing and sale of shoe care and foot care products under its own brand “PRO”. It also supplies the PRO branded accessories to our Company on a sale or return basis.

For details of such acquisitions and investments, see “*History and Certain Corporate Matters*” on page 181.

Selection of New Store Locations

We follow a three-year plan to identify cities that we target to be in, as well as cities where our other brands can be introduced or new areas in which our presence can be increased. Based on this three-year plan, a detailed yearly plan is prepared. Upon finalisation of our annual plan, our regional/ area managers’ survey the market and, with the help of regional consultants, brokers or showroom managers, identify potential locations. Key factors that determine our location preferences include market demographics, survey of surrounding areas to determine footfall drivers, and visibility for branding activities.

Once we receive positive feedback from our regional managers, our business development team presents the proposals to our Executive Committee. Our Executive Committee may approve or reject the proposal or request for further information. Negotiations with the owner of the location or the mall follow.

Vendor Engagement and Procurement

In Fiscal 2021 and in the six months ended September 30, 2021, we procured a majority of our in-house products from various vendors in India, primarily from Mumbai, Agra, Chennai, Delhi, Kanpur and other cities in India. The remaining products are imported from various countries including Brazil and China. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, our top 50 vendors contributed 69.95%, 71.26%, 75.27%, 89.95% and 77.07%, of our total in-house products, respectively. Our in-house product vendors are mainly craftsmen from all over India who provide us exclusivity of the designs supplied to us and are able to supply goods in required quantities within the prescribed period. We have a team of experienced employees who continuously engage in product research, identify new potential vendors and invite samples from them. Any new vendor can also approach us directly with their samples. The samples are then reviewed and shortlisted by our team for review and selection.

After placing an order with our vendors, the goods are received at our warehouse at Bhiwandi in Maharashtra and checked for quality and fitting. The samples from each item of goods are inspected, which include checking the quality of the goods, materials used, fitting, colours and overall look. After the quality control process, approved labels are affixed on the goods to confirm that the goods have been checked, and the price and in-house brand labels are affixed on the goods. The goods are then packed into shoeboxes, with barcode stickers and the maximum retail price and other details. These boxes are put into cartons and dispatched to our stores as per TOC recommendations.

We also procured 41.36% and 43.43% of our total goods from other national and international third-party brands, in Fiscal 2021 and in the six months ended September 30, 2021. A department dedicated to active brand portfolio management identifies potential new brands and invites samples from them on an ongoing basis. After approval of samples, the finalisation of commercial terms and identification of the stores for placing of orders, overall product placement at stores is planned, and is expanded to more stores as needed.

In order to strengthen overall supply chain and inventory control, we follow the TOC programme. The TOC programme monitors the introduction and performance of new styles in the stores, replenishment of stock of stores, rotation of slow or non-moving stock to ensure quick sale and recommendation for placing orders with vendors based on product sales performance. The above steps ensure efficient inventory levels and sale of products at discount is limited to the time of the two End-of-Season Sale (EOSS) periods annually.

Raw Materials Division

We have been procuring finished goods of high quality standards from the Indian and international markets. In our efforts to differentiate our products, we have set up an in-house division for sourcing and procuring of raw materials. The primary objectives of the department are upgrading and standardizing our product range, branding,

improve supply chain of raw materials to reduce the manufacturing lead time of finished goods and reducing the cost of raw materials through bulk procurement.

We are using our expertise to source good quality raw materials at optimal prices to improve and standardise our product range. We receive the raw materials at our raw material warehouse in Bhiwandi, Maharashtra, where we check the quality of the raw materials and store them. Raw materials are then sold and distributed to our vendors based on their respective requirements.

Quality Control

We consider the quality of products as a key priority and focus on preventive, in-process, and post-sale quality control measures. We typically include specifications regarding raw materials to be used, its quality and other details at the time of confirming product samples. Our quality assurance team visits the factories and the samples are thoroughly checked before the styles are put in production.

Newly introduced goods as well as regular goods received at the warehouse are checked by our quality assurance team, which is followed by packaging. If any goods are found to be defective, they are returned to the respective vendors.

Our vendors are reviewed and graded on a quarterly basis on the quality of their products. Our quality assurance team visits the factories to check various processes to try and resolve the issues. If the vendor does not improve within a stipulated time, the vendor is blacklisted.

We offer exchange or replacement of products with manufacturing or inherent defects within 15 days from the date of the invoice, provided the product is unused in its original and saleable condition accompanied with original sale invoice. We also offer a repair services policy to our customers of up to 90 days from the date of purchase for products without any manufacturing or inherent defects.

Imports

We procure footwear and bags predominantly from vendors in India. We also import footwear, bags and raw materials from China, Thailand and Brazil, to meet seasonal high demand, differentiate our products with respect to design as well as quality, and, in certain cases, to minimise our costs.

Product Design and Development

Our principal goal in merchandising and design is to consistently meet evolving customer preferences by introducing the latest designs and styles in all of our product lines. We believe that our products' success is related to our ability to recognise trends in the footwear markets, to introduce products that accommodate consumers' evolving preferences, and remain sensitive to regional preferences.

Lifestyle trend information is compiled and analysed by our buying-cum-design team in various ways, including reviewing and analysing culture, clothing, and trend-setting media; obtaining feedback from store managers, consulting with our retail and e-commerce customers for information on current retail selling trends; participating in major footwear trade shows to stay abreast of popular brands, fashions and styles; and subscribing to various fashion and colour information services.

The design process is a continuous process that takes place throughout the year. Our products are designed and developed primarily by our in-house merchandising and design team that comprised 65 personnel as of September 30, 2021. Many of our vendors, particularly those with whom we have long-standing relationships, also develop products for us, while the costing and inputs on styling are provided by the merchandising and design team. The design process is collaborative, as members of the merchandising and design staff frequently meet with the heads of retail, category managers, regional / area and store managers to further refine our products to meet the particular needs of the target market.

Warehousing and Logistics

As of September 30, 2021, we operated two warehouses in India, both located at Bhiwandi in Maharashtra, on a lease-and-license basis. The aggregate size (carpet area) of our warehouses was 224,820 sq. ft. as of September 30, 2021. One of our warehouses has a designated e-commerce operations area to cater to sales through online channels. Transportation vendors are selected based on location and load distribution. We track shipments until the delivery is completed.

Inventory and Supply Chain Management

Our overall supply chain management system is based on TOC principles. To ensure availability of the appropriate products at the relevant stores, we have developed a process to replenish stock, on a priority based system. We follow a pull versus a push model for product availability at our stores, to ensure optimum inventory management, working capital requirements and accessibility to the latest products. Our real-time communication channel between store front staff and our wide vendor base, through our warehouse managers and merchandising teams, helps ensure availability of relevant inventory at the stores. Based on our understanding of the markets we are present in and consistent feedback from managers at our outlets, we identify products for distribution and stock these products appropriately depending on location of the outlet within India (i.e. north, east, south or west), and on the market in which it is situated (cities or town, urban or rural areas). We also leverage our inventory at our warehouses and across store locations to efficiently meet our online orders.

We believe this enables us to maintain complete visibility over our inventory at all levels and manage orders and procurement against actual sales, which prevents stock outs and dead stock. We manage our inventory by tracking sales in our outlets and warehouses in real time which helps us monitor the quantum of inventory at our retail stores and warehouses and identify the fast and slow moving stock better. In Fiscal 2019, 2020, and 2021 and in the six months ended September 30, 2020 and September 30, 2021, our inventory days were 243 days, 241 days, 293 days, 635 days and 311 days, respectively.

Set forth below is certain information on the key brands retailed by us including the typical price range of products under these brands, and occasion-wise break-up of products based on our Company's closing inventory as of September 30, 2021 (on a standalone basis):

Brand (Owned/ Third-Party)	Customer Segment					Price Range ⁽¹⁾
	Casual	Formal	Sports	Accessories	Total	(₹)
Owned Brands						
Metro	50.68%	39.30%	2.51%	7.51%	100.00%	1,000-4,000
Mochi	48.03%	40.81%	2.14%	9.02%	100.00%	1,000-4,000
Walkway	63.67%	21.92%	8.42%	5.99%	100.00%	450-1,500
DaVinci	39.22%	59.43%	0.00%	1.35%	100.00%	2,500-15,000
J Fontini	40.09%	57.79%	0.00%	2.12%	100.00%	2,500-15,000
Vivado	1.30%	98.70%	0.00%	0.00%	100.00%	1,500-2,500
Gen X	99.68%	0.32%	0.00%	0.00%	100.00%	2,000-5,000
Cheemo	0.00%	61.63%	0.00%	38.37%	100.00%	2,000-4,000
Princess	0.00%	100.00%	0.00%	0.00%	100.00%	2,500-4,500
Haute Diva	0.00%	100.00%	0.00%	0.00%	100.00%	2,500-4,500
Activ	0.00%	0.00%	100.00%	0.00%	100.00%	700-1,500
Third Party Brands						Price Range(₹)
Crocs	95.19%	0.00%	0.00%	4.81%	100.00%	1,500-5,000
Fitflop	96.79%	3.21%	0.00%	0.00%	100.00%	5,000-9,000
Clarks	83.62%	16.26%	0.12%	0.00%	100.00%	2,500-6,000
Florsheim	58.94%	41.06%	0.00%	0.00%	100.00%	2,500-7,500
ID	76.76%	23.24%	0.00%	0.00%	100.00%	1,500-4,000
Language	29.44%	70.56%	0.00%	0.00%	100.00%	3,000-7,500
Egoss	33.55%	66.45%	0.00%	0.00%	100.00%	2,500-5,000
Von Wellx	84.00%	16.00%	0.00%	0.00%	100.00%	2,000-5,000
Mardi Gras	100.00%	0.00%	0.00%	0.00%	100.00%	1,000-3,000
Havaianas	100.00%	0.00%	0.00%	0.00%	100.00%	500-2,500
Buckaroo	100.00%	0.00%	0.00%	0.00%	100.00%	2,000-4,000
Kittens	63.23%	22.88%	13.89%	0.00%	100.00%	500-2,000
Pro	0.00%	0.00%	0.00%	100.00%	100.00%	150-2,000
Zeolite	0.00%	0.00%	0.00%	100.00%	100.00%	100-500
Campus	2.97%	0.00%	97.03%	0.00%	100.00%	600-2,500

Brand (Owned/ Third-Party)	Customer Segment					Price Range ⁽¹⁾
	Casual	Formal	Sports	Accessories	Total	(₹)
Skechers	7.72%	0.00%	91.94%	0.34%	100.00%	1,500-7,000

Notes:

1. Price Range refers MRP of the inventory and represents 85% of the total inventory value for the relevant customer segment.

Store Maintenance

Our projects team is responsible for managing ongoing refurbishment. Minor refurbishments typically take place periodically every three to six years after opening a new store. Major refurbishments typically take place approximately seven to 10 years after opening and include full renovation.

Our stores are also subject to surveillance by our security systems, through CCTVs installed. Our cash management procedures include daily deposits of net cash (cash generated from sales less cash incurred towards store expenses), done by store managers at the bank.

Store Closures and Net Additions

Our store closures are primarily due to store relocations and other commercial reasons, including closure of under-performing stores or unsuccessful rental negotiations or waivers sought from landlords/ lessors. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2021, we closed 58 Stores.

The following table sets forth total number of Stores in our network in the periods indicated:

	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
Number of Stores at the beginning of the period	419	504	551	551	586
Number of Stores opened during the period	95	57	59	14	26
Number of Stores closed during the period	10	10	24	14	14
Number of Stores at the end of the period	504	551	586	551	598

Business Continuity

We have a business continuity plan setting out the measures to prevent and/ or minimize impact to operations in the event of a disaster. The plan's objectives include identifying vendors and customers to be notified in the event of a disaster, resources required to assist in recovery and restoration of normal business operations, and alternate sources for supplies and resources. The plan also empowers the emergency management team that is responsible for its implementation, with guidelines on when the plan may be invoked and emergency management procedures that may be carried out.

Advertising and Marketing

We believe that brand recognition is an important element for success in the retail footwear business. We have marketed our brands through comprehensive marketing campaigns for men, women and children. We take a targeted approach to marketing to drive traffic, build brand recognition and properly position our diverse lines within the marketplace. Our senior management is directly involved in shaping our image and the conception, development and implementation of our advertising and marketing activities. Our marketing plan has a multi-pronged approach: traditional print and theatre advertising, supported by digital, outdoor, trend-influenced marketing, public relations, social media, promotions, influencers and in-store visual merchandising. We also believe our websites are effective marketing tools to engage with our customers on a more personal level. Our Litmus Rating was in the range of 4.6 – 4.7 (rating out of 5) in Fiscal 2021.

We believe that our advertising strategies, methods and creative campaigns are directly related to our success. There are two primary objectives to our advertising: brand awareness and sales growth. Through our performance-focused and image-driven advertising, we generally seek to build and drive brand awareness, create purchase intent and inform the consumers about our product launches and collections.

We have a dedicated marketing team that comprised 11 employees as of September 30, 2021, to carry out our marketing activities. The marketing team along with the sales team also run in-store promotions to enhance the sale of our footwear and accessories. These promotions are tailored to a particular store's location and customer base and are stringently monitored for their financial performance. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, advertisement and promotion expenses represented 3.59%, 3.73%, 2.01%, 2.06% and 1.96% of our revenue from operations, respectively, on a consolidated basis.

Public Relations / Trend-Influenced Marketing

Our public relations objectives are to accurately position Metro and Mochi as a leading footwear brand within the industry and trade publications as well as to secure product placement in key fashion and lifestyle magazines. We have been featured in leading magazines, business papers and the online business journals to display our thought leadership in the footwear space. We have amassed an array of prominent product placements in leading fashion and lifestyle, magazines and social media via influencer engagements. Additionally, we have partnered with social media influencers and bloggers who have appeared at events and posted on their social media channels about our footwear as well as created content for us.

Online and Digital Advertising

With the goal of engaging with consumers, showcasing our product in relatable settings and relaying the latest news, we have built communities on several social media platforms. While we have overarching Spring/Summer and Festive campaigns to drive our brands' visibility, our digital strategy is far more focused on micro campaigns to drive audience engagement and interaction with our brands. In addition, we create intent to purchase through product advertising on social media and search websites in performance marketing campaigns. Our social media handles are also used to monitor our online reputation and respond to customer queries. We have previously conducted online marketing campaigns and digital campaigns to coincide with key selling time periods. We also run brand building and marketing campaigns on the leading e-commerce marketplaces to increase brand visibility and drive sales. We monitor our digital marketing efforts through various parameters such as reach, engagement and return on investment. As of September 30, 2021, we had more than 2 million subscribers on our social media platforms.

Promotions and Events

By applying creative sales techniques through a broad spectrum of media, our marketing team seeks to build brand recognition and drive traffic to our stores and websites. Our promotional strategies have encompassed in-store specials, giveaways and collaborations with national retailers and radio stations. We have previously also partnered with a national beauty pageant in India as their footwear partner for the event.

Visual Merchandising

Our in-house visual merchandising department supports our stores by developing displays that effectively leverage our products at the point of sale. Our point-of-purchase display items include signage, graphics, displays, counter cards, banners and other merchandising items for each of our brands. These materials mirror the look and feel of each brand and reinforce the image and draw consumers into stores. We have also placed screens at appropriate stores to display relevant content for greater engagement at the store-level. Our visual merchandising coordinators work with our sales to ensure better sell-through at the retail level by generating greater consumer awareness through our brand displays.

Outdoor

In an effort to reach consumers where they shop and in high-traffic areas as they travel to and from work, we often use outdoor campaigns that may include malls, pole kiosks, billboards and mobile hoardings. In many markets these now include LED billboards that broadcast our commercials. We believe these mediums are an effective and efficient way to target specific consumers in and around the place of purchase.

Our Loyalty Programmes

We run standalone loyalty programmes for both our Metro and Mochi brands called Club Metro and My Mochi, respectively that we launched in Fiscal 2007 and 2011, respectively. Both are flat, single level membership programmes. We have also introduced a separate loyalty program for Crocs products called Crocs Club.

Under the Metro and Mochi loyalty programmes, our customers receive 4% of the net bill value in the form of loyalty points. One point equals ₹1. This represents the highest loyalty points' credit for customers among the key Indian footwear players in India (*Source: CRISIL Report*). The loyalty points earned are valid for one year from the date of purchase, unless specified otherwise. Our customers can redeem their loyalty points across any store of the respective brand. We send out regular updates to our loyalty programme members about new collections and end of season sales.

As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, Club Metro had more than 3.75 million, 4.45 million, 4.85 million, 4.55 million and 5.09 million members, respectively, and My Mochi had more than 2.40 million, 2.95 million, 3.29 million, 3.02 million and 3.47 million members, respectively. The loyalty program for Crocs was launched in Fiscal 2020, and had more than 0.24 million, 0.45 million, 0.31 million and 0.59 million members as of March 31, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, respectively. In recent Fiscals, we have witnessed a high proportion of repeat sales, i.e. purchases subsequent to the first purchase by members of our loyalty programs. In Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, repeat sales to members of our loyalty programs represented 45.08%, 49.69%, 55.71%, 57.02% and 54.31% of our Store Product Sales (excluding sales at our Walkway stores).

We have digitized our loyalty programs, and over the years, our loyalty programmes have given us insights into customer preferences and trends which have helped us procure and retail the right product mix for a particular customer segment. With the help of programme data, we are also able to generate targeted and relevant campaigns to improve our customer engagement and experiences.

Employees

As of September 30, 2021, we had 2,622 permanent employees. We further work with 1,307 selling agents, their staff, and contract workers. We conduct periodic reviews of our employees' job performance and determine salaries and discretionary bonuses based on such reviews and general market conditions. We believe that we have a good working relationship with our employees and have not experienced any significant employee disputes. Our employees are not subject to any collective bargaining agreements or represented by labour unions.

We believe our compensation structures including variable pay are competitive. We have also implemented ESOP 2008 for our employees, along with a range of incentives and employee engagement programs. For further details of ESOP 2008, please see "*Capital Structure*" on page 75.

Information Technology

We use information technology systems to help us operate efficiently, increase the scalability of our business and accommodate future growth. We currently use a combination of commercially available and custom developed software and hardware systems. We connect all our brick and mortar stores and our online store to our central system, allowing us to effectively monitor and review our inventory on a real time basis as well as to monitor our fixed assets and payroll. We have also implemented an advanced ERP system for our backend accounting functions. We have also invested in an order management system to streamline our online sales with our offline sales in real-time, and cyber-security solutions to protect our systems and the large volume of data we store. We believe that the implementation of such an order management system to integrate online sales with our brick and mortar store management systems has improved scalability, augmented customer experience, and optimised operational costs, and improved inventory visibility across channels.

Competition

We are one of the largest Indian footwear speciality retailers, and are among the aspirational Indian brands in the footwear category (*Source: CRISIL Report*). We face competition from organised as well as unorganised footwear retailers in India, and compete with different retailers for different aspects of our business. Our key competitors include Bata India Limited and Relaxo Footwear Limited (*Source: CRISIL Report*).

For further information, see "*Industry Overview*" on page 121.

Insurance

Our principal types of coverage include insurance for fire, fidelity, burglary and money, as well as cyber insurance. While we maintain insurance policies that we believe are customary for companies operating in our industry and commensurate to the size of our operations, our insurance policies may not be sufficient to cover our economic

loss in every instance. As of September 30, 2021, our gross block of tangible assets (excluding building) is ₹ 2,366.58 million, of which we have an insurance coverage of ₹ 2,319.42 million which is 98.01% of gross block of tangible assets (excluding building). For further information, please see “*Risk Factors – Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*” on page 47.

Properties

Our Registered and Corporate Office at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai- 400 070, Maharashtra, India, is owned by us.

As of September 30, 2021, all of the properties used for our operations throughout India, including our warehouses and stores are held on a leave-and-license basis. Also see, “*Risk Factors – The premises of all our stores and warehouses are leased. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected*” on page 34.

Intellectual Property

As of September 30, 2021, we had 73 trademarks and three copyrights registered in the name of our Company relating to our various brands, including Metro, Mochi, Walkway, and have applied for 20 trademarks and two other copyrights in India. We also have 11 trademarks registered and we have filed two trademark applications internationally.

The trademarks, service marks and other intellectual property relating to third-party brands such as Crocs™ and Fitflop including the logos, are registered in the name of such third-parties. Pursuant to the Crocs Agreement, we have been granted limited right to use the intellectual property for branding our Crocs EBOs and to promote, advertise and sell these products in India.

Corporate Social Responsibility

We have adopted a CSR policy and established a CSR committee in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, amended. The CSR committee is responsible for monitoring our overall CSR activities.

Our CSR initiatives focus on a range of causes including feeding the hungry, funding infrastructure for cancer hospitals, recycling discarded footwear, distributing footwear to migrants, and funding medical treatments of those belonging to economically weaker sections of society. During the COVID-19 pandemic, we additionally distributed masks and PPE kits to health workers and police personnel that were on the frontlines of managing the pandemic in India.

KEY REGULATIONS AND POLICIES

The following is an overview of the certain sector specific Indian laws and regulations which are relevant to our business. The tax related statutes and applicable shops and establishment statutes, labour laws and other miscellaneous regulations and statutes apply to us as they do to any other Indian company.

The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us in compliance with these regulations, see “Government and Other Approvals” on page 337. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Shops and Establishments Legislations

Under the provisions of local shops and establishments legislations applicable in the states in which such establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our offices, stores and warehouses have to be registered under the shops and establishments legislations of the states where they are located.

Legal Metrology Act, 2009 (the “Legal Metrology Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act governs the standards/units/denominations used for weights and measures. It also states that any transaction/contract relating to goods shall be as per the weight/measurement prescribed by the Legal Metrology Act. Such weights and measures are required to be verified and re-verified periodically before usage through government approved test centres. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Any non-compliance or violation under the Legal Metrology Act may result in *inter alia* a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Legal Metrology (Packaged Commodities) Rules, 2011 (the “**Packaged Commodities Rules**”) were framed under Section 52(2) (j) and (q) of the Legal Metrology Act and lay down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A “pre –packaged commodity” means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules provide that it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed. Further, all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act and no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules. The Packaged Commodity Rules were amended in the year 2017 to increase protection granted to consumers. Some recent additions include increased visibility of retail price, removal of dual maximum retail price and bringing e-commerce within the ambit of these rules.

Bureau of Indian Standards Act, 2016

Bureau of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“**BIS**”) for the development of the activities, *inter alia*, standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services, and for matters connected therewith and incidental thereto. Functions of the BIS include, *inter alia*, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the

Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; (c) providing training services in relation to *inter alia*, quality management, standards, conformity assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

Consumer Protection Act, 2019 (the “Consumer Protection Act”)

The Consumer Protection Act was enacted to provide a simpler and quicker access to redress consumer grievances, including in course of both online and offline transactions. It seeks to promote and protects the interest of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers and traders. It establishes consumer disputes redressal commissions at the district, state and national levels and a central consumer protection authority, with wide powers of enforcement, to regulate matters relating to violation of consumer rights, unfair trade practices and misleading advertisements. The consumer protection authority has the ability to inquire into violations of consumer rights, investigate and launch prosecution at the appropriate forum, pass orders to recall goods, impose penalties and issue safety notices to consumers against unsafe goods. It also introduces product liability, which can hold the product seller liable for compensation claims.

Intellectual Property Laws

Certain laws relating to intellectual property rights applicable to us are as follows:

The Copyright Act, 1957 (the “**Copyright Act**”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the process for making an application and obtaining registration of trade marks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, heading, etc. and to obtain relief in case of infringement of such marks for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trade marks and provides for penalties for infringement, falsifying and falsely for applying trade marks.

The Designs Act, 2000 (the “**Designs Act**”) prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and *inter alia*, provides for application for registration of designs, copyright in registered designs, etc.

Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto.

As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; and (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette.

FTA read with the Indian Foreign Trade Policy 2015 – 2020 (extended up to September 30, 2021) provides that no export or import can be made by a company without an importer-exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the FEMA along with the rules, regulations and notifications made by the Reserve Bank of India, including the FEMA Rules, as amended thereunder, and the consolidated FDI Policy (“**FDI Policy**”) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”, *earlier known as Department of Industrial*

Policy and Promotion). The FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DPIIT. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Currently 51% FDI is allowed under the government route for companies engaged in multi brand retail trading, subject to compliance with certain conditions. Further, no FDI is allowed in companies engaged in multi brand inventory based B2C e-commerce activities.

Other Indian laws

In addition to the above, we are also governed by taxation and labour related laws.

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, goods and services tax laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company.

A wide variety of labour laws are also applicable to our Company and our Subsidiary, including the Contract Labour (Regulation and Abolition) Act, 1970, Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948, the Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957, Maternity Benefit Act, 1961, Minimum Wages Act, 1948, Payment of Bonus Act, 1965, the Payment of Gratuity Act, 1972, Payment of Wages Act, 1936, Equal Remuneration Act, 1976 and the Workmen's Compensation Act, 1923, Industrial Employment (Standing Orders) Act, 1946, Apprentices Act, 1961 and Child Labour (Prohibition Regulation) Act, 1986 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013 and Factories Act, 1948.

The Government of India has enacted the Code on Wages, 2019, which received the assent of the President of India on August 8, 2019. The provisions are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Separately, the Government of India enacted the Occupational Safety, Health and Working Conditions Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. Further, the Government of India has enacted the Industrial Relations Code, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Further, the Government of India has enacted the Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code are proposed to be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “*Metro Shoes Private Limited*”, a private limited company under the Companies Act, 1956 on January 19, 1977 at Mumbai, Maharashtra. The name of our Company was subsequently changed to “*Metro Shoes Limited*” on May 18, 1992 upon conversion into a deemed public company. Thereafter, our Company was converted into a private limited company and the name was changed to “*Metro Shoes Private Limited*” with effect from October 16, 2002. Subsequently our Company, pursuant to a special resolution passed by the shareholders on March 21, 2007, was converted to a public company pursuant to which the name of our Company was subsequently changed to “*Metro Shoes Limited*”. A fresh certificate of incorporation consequent to change of name was issued by the RoC on May 14, 2007. Thereafter, the name of our Company was further changed to “*Metro Brands Limited*” pursuant to a special resolution passed by the shareholders of our Company on August 3, 2018. A fresh certificate of incorporation consequent to change of name was issued by the RoC on September 6, 2018.

Change in the Registered Office

Except as stated below, there has been no change in the registered office of our Company since incorporation:

Effective Date	Details of change	Reason for change
November 12, 1979	The registered office of our Company was changed from 401, Sussex Industrial Estate, Sussex Road, Byculla, Mumbai, Maharashtra, India – 400 027 to 19 Abubaker Mansion, Colaba causeway, Mumbai, Maharashtra, India – 400 039.	For administrative and operational convenience
April 23, 2007	The registered office of our Company was changed from Metro House, Colaba, Mumbai, Maharashtra, India – 400 001 to 3 rd Floor, Metro House, Shahid Bhagat Singh Road, Colaba Causeway, Mumbai, Maharashtra, India – 400001	Correction of the data error
February 1, 2016	The registered office of our Company was changed from 3 rd Floor, Metro House, Shahid Bhagat Singh Road, Colaba Causeway, Mumbai, Maharashtra, India – 400001 to 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai, Maharashtra, India – 400070.	For administrative and operational convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To carry on the business of manufacturers, dealers, importers, exporters and commission agents of footwear, leather goods, rubber goods, tanner and surriers.*
2. *To carry on the business of manufacturers, dealers, importers, exporters and commission agents of hides, skins, leather, runner.*

Amendments to our Memorandum of Association in the last 10 years

Except as stated below, there have been no amendments to our Memorandum of Association in the last 10 years preceding the date of this Prospectus.

Date of change/ shareholders' resolution	Nature of amendment
September 21, 2012	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each
August 3, 2018	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from ‘Metro Shoes Limited’ to ‘ <i>Metro Brands Limited</i> ’ to reflect its activities under various format of stores of our Company
August 3, 2018	Clauses III (A) and (B) of the Memorandum of Association were amended to reflect the change in their sub-heading to: “(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:” and “(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:”

Date of change/ shareholders' resolution	Nature of amendment
August 3, 2018	Clause III (B) of the Memorandum of Association was amended to reflect the change made by insertion of sub – clauses 51 to 78 after the existing sub-clause 50.
August 3, 2018	Clause III (C) – THE OTHER OBJECTS CLAUSE of the Memorandum of Association was deleted
August 3, 2018	Clause IV of the Memorandum of Association namely, the liability clause was amended to comply with the provisions of Section 4, 13 and other applicable provisions of the Companies Act, 2013. The liability of members was limited to the amount unpaid if any on shares held by them.
September 29, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 150,000,000 divided into 15,000,000 equity shares of ₹ 10 each to ₹ 1,500,000,000 divided into 150,000,000 equity shares of ₹ 10 each
March 30, 2021	Clause V of the Memorandum of Association was amended to reflect the change in the authorised share capital of our Company which was sub-divided from ₹ 1,500,000,000, divided into 150,000,000 equity shares of face value of ₹ 10 each to ₹ 1,500,000,000 divided into 300,000,000 equity shares of face value of ₹5 each

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event /milestone
1977	Incorporation of our Company
2000	Our Company opened the first 'Mochi' branded MBO
2009	Our Company launched the 'Walkway' format (<i>previously 'MSL – More Shoes for Less'</i>)
2010	Our Company launched the e-commerce platform and we reached a target of 100 stores
2012	Our Company reached a target of 200 stores
2015	Our Company tied-up with the brand 'Crocs TM '
2020	Our Company reached a target of 550 stores
2021	Our Company tied with the brand 'Fitflop'

Key awards, accreditations or recognitions

The table below sets forth some of the awards, accreditation or recognitions received by our Company:

Year	Accreditations
2021	"Best Footwear Brand 2021" award at the India's Retail Champions Awards, supported by the Retailers Association of India
2019	"Family Business of the Year – Emerging Companies" award by The Economic Times
2018	"Retailer of the Year (Non-Apparel / Footwear)" at the ET Global Awards for Retail Excellence by ET Now
2017	'Most Preferred Woman's Brand' – 4 th World Women Leadership Congress Awards by Femina
2017	'Shining Star Commercial Partner of the Year 2017' award received by our store at Indira Gandhi International Airport, New Delhi at the GMR Airport Awards 2017 by the GMR Group
2017	"Footwear Retailer of the Year" award at the 12th Annual Star Retailer Awards
2016	"Most Admired Multi-Brand Retail Chain of the Year – Mochi" at the India Shoes and Accessories Awards
2015	"Most Admired Multi-Brand Footwear Retail Chain of the Year - Metro" at the India Shoes and Accessories Awards
2014	"Footwear Brand with Outstanding e-Retail Performance" at the Indian e-Retail Awards by Franchise India
2013	"Most Popular Youth Brand (footwear)" award at the Global Youth Marketing Awards
2012	"Retailer of the Year (Footwear Non Apparel)" award at the Asian Retail Leadership Awards
2011	"Emerging Retailer of the Year" award at the ET Retail Awards by The Economic Times

Time and cost overrun in setting up projects by our Company

Our Company has not experienced any time or cost overruns in relation to any projects, since our Company has not set up any project since incorporation.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions.

Mergers or amalgamation

Our Company has not undertaken any merger, demerger or amalgamation in the last 10 years preceding the date of this Prospectus.

Details regarding material acquisitions or divestments of business/undertakings, and any revaluation of assets in the last 10 years

Except as disclosed in, “– *Other Agreements - Joint venture and share subscription and purchase agreement dated August 24, 2016 between M.V. Shoe Care Private Limited, our Company and certain shareholders of our Joint Venture, namely Ketan Vyas and Archana Vyas*” on page 184, our Company has not acquired any material business or undertaken any divestments of business or undertaking or revaluation of assets in the last 10 years preceding the date of this Prospectus.

Lock-out and strikes

There have been no instances of strikes or lock-outs at any time in our Company.

Launch of key products or services, entry into new geographies or exit from existing markets

For further details in relation to launch of key products or services, entry in new geographies or exit from existing markets, see “*Our Business*” on page 153.

Significant financial and/or strategic partners

Our Company does not have any significant financial and / or strategic partners as of the date of this Prospectus.

Details of shareholders’ agreements

Except as disclosed below, our Company does not have any subsisting shareholders’ agreements among our Shareholders *vis-a-vis* our Company:

Subscription and Shareholders’ Agreement read with the Supplementary Subscription and Shareholders’ Agreement, the Deed of Adherence (“SSHA”) and the read with the Subscription and Shareholders’ Amendment Agreement dated July 28, 2021 (“Amendment Agreement”)

Pursuant to the SSHA, Rakesh R. Jhunjunwala subscribed to 121,400 Equity Shares of face value ₹10 for cash at a price of ₹1,300 per Equity Share aggregating to ₹1,57,820,000 and purchased 121,400 Equity Shares of face value ₹10 for cash at a price of ₹1,200 per Equity Share aggregating to ₹145,680,000. Subsequently, pursuant to the letter dated March 12, 2007, Rekha R. Jhunjunwala replaced Rakesh R. Jhunjunwala as the beneficial shareholder to the SSHA. Thereafter, 2,175,200 Equity Shares were transferred from Rekha R. Jhunjunwala to Rakesh R. Jhunjunwala in his capacity as the authorised representative of Aryavir Jhunjunwala Discretionary Trust, Aryaman Jhunjunwala Discretionary Trust and Nishtha Jhunjunwala Discretionary Trust.

In accordance with the terms of the SSHA, Rakesh Jhunjunwala, Rekha R. Jhunjunwala, Aryavir Jhunjunwala, Discretionary Trust, Aryaman Jhunjunwala Discretionary Trust and Nishtha Jhunjunwala Discretionary Trust (together referred to as the “**Investors**”) have certain rights such as nominating directors to the Board of our Company and having an affirmative vote with respect to certain matters as laid down in the SSHA, such as amendments to the MOA or AOA, commencement of any new line of business, etc. The Investors also have tag along and co-sale rights, however the Metro parties have the right to first refusal. Additionally, certain trademarks and copyrights have been assigned to our Company for a consideration of ₹15 million. Further, our Company and the Metro parties shall have the obligation to declare certain minimum dividend.

Further, in terms of the Amendment Agreement, (i) the Investors have the right to nominate and appoint one nominee director on the Board, subject to the Investors holding 5.00% of the total paid-up share capital of the Company, on a fully diluted basis; and (ii) the Promoters and certain members of Promoter Group collectively have the right to nominate and appoint two nominee directors on the Board, subject to them holding 25.00% or more of the paid-up share capital of the Company, on a fully diluted basis and one nominee director on the Board,

subject to them holding 5.00% or more, but less than 25.00% of the paid-up share capital of the Company, on a fully diluted basis. These rights shall be subject to the approval of the shareholders of the Company by way of a special resolution, post listing. The SSHA shall automatically terminate upon consummation of the Offer, without any further act or deed required on the part of any party under the SSHA or the Amendment Agreement.

Other agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

Shareholders' agreement dated August 10, 2009 ("SHA") between our Company and Sunil Shah in his capacity as partner of M/s Millennium Marketing ("Millennium"); and letter of amendment dated September 4, 2014 between our Company and Sunil Shah

Our Subsidiary, Metmill Footwear Private Limited ("**Metmill**"), was incorporated as a private limited company pursuant to the SHA with the objective of carrying on the business of manufacturer, dealers, importers, exporters and commission agents of footwear, leather goods, rubber goods, plastic goods or such other goods related to footwear, bags and accessories; and any other business as may be mutually agreed between the shareholders.

In accordance with the terms of the agreement, Metmill shall pay ₹ 41,00,000 towards the transfer of commercial rights by Millenium. Our Company and Millennium have certain mutual rights such as appointing directors to the board of Metmill, each having the right to appoint equal number of directors as long as they continue to hold shares in the ratio of 51:49. Upon change in the aforementioned shareholding proportion, each party would have a right to appoint one director for every 10% of the shares held by them. Pursuant to the SHA, Rafique A. Malik was appointed as the chairman of the board of directors of Metmill, to hold office as long as our Company continues to hold 51% of the share capital of Metmill, and Sunil Shah was appointed as the managing director to hold office as long as Millennium continues to hold 49% of the share capital of Metmill. In the event that either our Company or Millennium wishes to transfer their shares in Metmill, the transferring party shall first be required to offer such shares to the other party.

The SHA shall terminate if the shareholding of either our Company or Millenium falls below 25% of the total paid up share capital of Metmill.

Joint venture and share subscription and purchase agreement dated August 24, 2016 ("JV Agreement") between M.V. Shoe Care Private Limited (our "JV"), our Company and certain shareholders of our Joint Venture, namely Ketan Vyas and Archana Vyas (our Company, Ketan Vyas and Archana Vyas together referred to as "Investors").

Pursuant to the JV Agreement, (i) our Company subscribed to 2,430,000 equity shares of our JV; (ii) our Company purchased 4,430,000 equity shares of our JV from Ketan Vyas; and (iii) Ketan Vyas subscribed to 2,529,182 equity shares of our JV, resulting in the following shareholding pattern of our JV: Ketan Vyas and Archana Vyas together holding 51% and our Company holding 49% of the equity share capital.

In terms of the JV Agreement, the Investors are entitled to certain rights including the right to nominate directors to the board of our JV in the ratio of their respective shareholding. Ketan Vyas or any other person nominated by him shall hold the position of chairman and managing director of our JV. Further, our JV shall require prior written consent from our Company for undertaking certain activities such as declaration and payment of dividend or distribution, issuance, allotment, repurchase, redemption, etc. of any of its securities, restructuring pursuant to mergers, demergers, reorganisation, etc., change in the name or business, changing or reclassifying the authorised, issued, paid up or subscribed equity or preference capital structure, etc.

In case our JV does not, subsequent to the expiry of three years, achieve profit-after-tax in accordance with the business plan as agreed to in the JV Agreement for a continuous period of three successive financial years, our Company shall have the option to require Ketan Vyas to purchase its entire shareholding in our JV. However, subsequent to completion of five years, our Company may offer to purchase the entire shareholding of Ketan Vyas and Archana Vyas in our JV, or merge our JV with our Company, any of our subsidiary or group companies at such valuation and terms and conditions as mutually decided by our Company, our JV and the Investors. While our Company shall have no prohibition or restriction in marketing or selling products similar to those manufactured, sold and distributed by our JV, our Company shall be required to make a reasonable endeavour to source all shoe care and foot care products from our JV, provided that our JV is able to match or exceed the quality and price offers of competitive products.

Further, our Company shall not purchase any shoe care and foot care products which are similar to the products manufactured, sold or sourced by any of the employees, officers or their relatives or associates of the JV or from entities in which such employees, officers or their relatives or associates have substantial shareholding or any business interest, for a period of 24 months from the date the JV has severed its relationship with such employees, officers or associates.

Deed of assignment dated February 20, 2007 executed between M/s. Metro Shoes (a sole proprietary concern of Rafique A. Malik) (“Metro Shoes”) and our Company (“Deed of Assignment 1”)

Pursuant to the Deed of Assignment 1, Metro Shoes has assigned, unconditionally and absolutely, 16 trademarks namely ‘Metro’, ‘Davinchi’, ‘M’ logo, ‘M METRO ACTIVE’, ‘METRO MORE SHOES TO CHOOSE’, ‘M METRO MORE SHOES TO CHOOSE’ and ‘METRO’ under various classes with description of goods for each of these trademarks along with the goodwill of the business relating to the goods, to our Company, in consideration of ₹ 11.9 million.

Deed of assignment dated February 24, 2014 executed between M/s. Metro Shoes (a sole proprietary concern of Rafique A. Malik) (“Metro Shoes”) and our Company (“Deed of Assignment”)

Pursuant to the Deed of Assignment 2, Metro Shoes has assigned, unconditionally and absolutely, 11 trademarks namely ‘M Mochi’, ‘S Signatures’, ‘Studio M by Metro’, ‘DA VINCHI’, ‘Metro Sox’, ‘M Metro Genx’, ‘J Fontini’, ‘Metro Bagz’ and ‘M Metro’ under various classes with description of goods for each of these trademarks along with the goodwill of the business relating to the goods, to our Company, in consideration of ₹ 0.06 million.

Inter – se agreement / arrangements

There are no other agreements, including any deed of assignment, acquisition agreement, shareholders’ agreement, inter-se agreements, agreements of like nature, to which we are a party, which are material and which require to be disclosed. Further, we confirm that there are no other clauses or covenants which are adverse or prejudicial to the interest of the minority/ public shareholders.

Guarantees given by our Promoter Selling Shareholders

The Promoter Selling Shareholders have not provided any guarantees to third parties as on the date of this Prospectus.

Other confirmations

Neither our Promoter nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Our holding company

Our Company does not have a holding company.

Our subsidiaries and joint ventures

For details, see “*Our Subsidiary and Joint Venture*” on page 186.

OUR SUBSIDIARY AND JOINT VENTURE

As on the date of this Prospectus, our Company has one subsidiary, being Metmill Footwear Private Limited and one joint venture, being M.V. Shoe Care Private Limited.

Our Subsidiary

Metmill Footwear Private Limited (“Metmill”)

Corporate Information

Metmill was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated September 16, 2009, issued by the RoC. Its corporate identification number is U19201MH2009PTC195829. Its registered office is situated at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West) Mumbai – 400 070, Maharashtra, India. Its CIN is U19201MH2009PTC195829.

Nature of Business

Metmill is engaged in the business of being dealers, importers, exporters and commission agents of footwear, leather goods, rubber goods and related products.

Capital Structure

The details of the capital structure of Metmill are as follows:

Particulars	Aggregate Nominal Value (₹ in million)
Authorised share capital	
2,000,000 equity shares of ₹10 each	20.00
Issued, subscribed and paid-up capital	
1,250,000 equity shares of ₹10 each	12.50

Shareholding Pattern

The shareholding pattern of Metmill, as of the date of this Prospectus, is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹10 each	Percentage of shareholding (%)
1.	Metro Brands Limited	637,500	51.00
2.	Sunil Jethalal Shah	612,500	49.00
	Total	1,250,000	100.00

Our Joint Venture

M.V. Shoe Care Private Limited (“JV”)

Corporate Information

Our JV was incorporated a private limited company under the Companies Act, 1956 on September 8, 2008, at National Capital Territory of Delhi and Haryana. The registered office of our JV is located at C-152, Sarvodaya Enclave, New Delhi – 110 017, India. Its CIN is U74900DL2008PTC182999.

Nature of Business

Our JV is authorised by its memorandum of association to carry on the business as importers, exporters, dealers, distributors, agents, buyers and sellers of all types of shoe materials, components, polishes, cremes, waxes, cleaners, chemicals, renovating chemicals, gels, gel pads, and to purchase, sell, import, export, or otherwise deal in all types of goods used in footwear or leather goods industry or used by individual footwear and leather good buyers.

Capital structure

Authorised
₹ 150 million divided into 15,000,000 equity shares of face value of ₹ 10 each
Issued, subscribed and paid up share capital
₹ 140 million divided into 14,000,000 equity shares of face value of ₹10 each

Shareholding pattern

Name of shareholder	No. of equity shares	% of total equity holding
Metro Brands Limited	6,860,000	49.00
Ketan Vyas	5,900,000	42.14
Archna Vyas	1,240,000	8.86
Total	14,000,000	100.00

Other Confirmations

Accumulated profits or losses

There are no accumulated profits or losses of Metmill or JV not accounted for by our Company.

Listing of our Subsidiary

Metmill is not listed on any stock exchange in India or abroad. Further, the securities of Metmill have not been refused listing by any stock exchange in India or abroad during the last ten years, nor has it failed to meet the listing requirements of any stock exchange in India or abroad.

Business interest of our Subsidiary and JV in our Company

No products of our Company are sold to Metmill or to the JV. Metmill sells certain brands of shoes to our Company and the JV sells various pro-branded shoe care and footcare products to our Company. Further, except as disclosed in “Our Business” on page 153 and ‘Financial Information’ on page 211, Metmill and JV do not have any interest in our Company’s business.

Common pursuits between our Company and our Subsidiary

Except in relation to the supply and distribution of footwear by Metmill, there are no common pursuits amongst Metmill and our Company. However, there is no conflict of interest amongst our Company and Metmill. If applicable, our Company will adopt necessary procedures and practices as permitted by law to address any conflict situations as and when they arise.

OUR MANAGEMENT

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises nine Directors, including three Executive Directors (including our Chairman), one Non-Executive Director and five Independent Directors. Two Directors on our Board are women.

The following table sets forth details regarding our Board as of the date of this Prospectus:

Sl. No.	Name, designation, address, occupation, date of birth, nationality, period and term and DIN	Age (years)	Directorships in other companies
1.	<p>Rafique A. Malik</p> <p><i>Designation:</i> Chairman</p> <p><i>Address:</i> 1703 Vivarea, B Wing, 17th Floor, Sane Guruji Marg, Mahalaxmi, Jacob Circle, Mumbai 400 011</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> October 31, 1950</p> <p><i>Nationality:</i> American</p> <p><i>Period of directorship:</i> Director since January 19, 1977</p> <p><i>Term:</i> For a period of five years with effect from April 1, 2017. Chairman is not liable to retire by rotation.</p> <p><i>DIN:</i> 00521563</p>	71	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> • Ador Fontech Limited • Metmill Footwear Private Limited • Metro Holdings and Securities Private Limited • Metro House Private Limited • Metro Shopping Arcade Private Limited • Metro Shopping Plaza Private Limited • MIRC Electronics Limited • Sabina Comtrade Private Limited • Zarah Comtrade Private Limited • Zia Comtrade Private Limited <p><i>Foreign Companies</i></p> <p>Nil</p>
2.	<p>Farah Malik Bhanji</p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> 2003 Vivarea, B Wing, 20th Floor, Sane Guruji Marg, Mahalaxmi, Jacob Circle, Mumbai 400 011</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> August 31, 1976</p> <p><i>Nationality:</i> American</p> <p><i>Period of directorship:</i> Director since December 5, 2000</p> <p><i>Term:</i> For a period of five years with effect from April 1, 2017. Liable to retire by rotation.</p> <p><i>DIN:</i> 00530676</p>	45	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> • M.V. Shoe Care Private Limited • Metro Holdings and Securities Private Limited • Metro House Private Limited • Metro Shopping Arcade Private Limited • Metro Shopping Plaza Private Limited • Sabina Comtrade Private Limited • Zarah Comtrade Private Limited • Zia Comtrade Private Limited <p><i>Foreign Companies</i></p> <p>Nil</p>
3.	<p>Mohammed Iqbal Hasanally Dossani</p> <p><i>Designation:</i> Whole-time Director</p>	50	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> • Metro Holdings and Securities Private Limited • Metro House Private Limited

Sl. No.	Name, designation, address, occupation, date of birth, nationality, period and term and DIN	Age (years)	Directorships in other companies
	<p>Address: 604, Silver Cascade, Mount Mary Road, Bandra West, Mumbai – 400 050</p> <p>Occupation: Service</p> <p>Date of birth: December 25, 1970</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since November 26, 2020 and liable to retire by rotation</p> <p>Term: For a period of five years with effect from June 25, 2021. Liable to retire by rotation.</p> <p>DIN: 08908594</p>		<ul style="list-style-type: none"> • Metro Shopping Arcade Private Limited • Metro Shopping Plaza Private Limited <p>Foreign Companies</p> <p>Nil</p>
4.	<p>Utpal Hemendra Sheth</p> <p>Designation: Non-Executive Director (Nominee director)</p> <p>Address: B 2901, 29th Floor, Beaumonde, Prabhadevi, Mumbai- 400025</p> <p>Occupation: Service</p> <p>Date of birth: June 20, 1971</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since March 14, 2007</p> <p>Term: From October 23, 2015 and liable to retire by rotation.</p> <p>DIN: 00081012</p>	50	<p>Indian Companies</p> <ul style="list-style-type: none"> • Aptech Limited • Chanakya Wealth Creation Private Limited • Concord Biotech Limited • Hiranandani Financial Services Private Limited • HRS Insight Financial Intermediaries Private Limited • Insight Asset Management (India) Private Limited • Inventurus Knowledge Solutions Private Limited • Kabra Extrusion Technik Limited • NCC Limited • Star Health and Allied Insurance Company Limited • Trust Asset Management Private Limited • Trust Capital Holdings Private Limited • TrustPlutus Family Office and Investment Advisers (India) Private Limited • TrustPlutus Wealth (India) Private Limited • Zenex Animal Health India Private Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> • Rare Worldwide Holdings PTE.
5.	<p>Manoj Kumar Maheshwari</p> <p>Designation: Independent Director</p>	64	<p>Indian Companies</p> <ul style="list-style-type: none"> • Maheshwari Investors Private Limited • Mahindra CIE Automotive Limited • R.J Investment Private Limited

Sl. No.	Name, designation, address, occupation, date of birth, nationality, period and term and DIN	Age (years)	Directorships in other companies
	<p>Address: B-47, Ahuja Towers, Rajabhau Anatdesai Marg, Prabhadevi, Mumbai – 400 025</p> <p>Occupation: Business</p> <p>Date of birth: August 8, 1957</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since July 24, 2009</p> <p>Term: For a period of five years with effect from February 6, 2020.</p> <p>DIN: 00012341</p>		<ul style="list-style-type: none"> RPG Life Sciences Limited <p>Foreign Companies</p> <p>Nil</p>
6.	<p>Aruna Bhagwan Advani</p> <p>Designation: Independent Director</p> <p>Address: Floor – 7, Plot 11 C and D, Rashmi Apartment, Byramji Gamadia Road, Off M L Dahanukar Marg, Cumballa Hill, Mumbai-400026</p> <p>Occupation: Business</p> <p>Date of birth: November 19, 1954</p> <p>Nationality: British</p> <p>Period of directorship: Director since July 27, 2010</p> <p>Term: For a period of five years with effect from February 6, 2020.</p> <p>DIN: 00029256</p>	67	<p>Indian Companies</p> <ul style="list-style-type: none"> Coromandel International Limited <p>Foreign Companies</p> <p>Nil</p>
7.	<p>Arvind Kumar Singhal</p> <p>Designation: Independent Director</p> <p>Address: Apartment 605 – A, Magnolias, DLF Phase – V, DLF Golf Course Road, Gurgaon, Haryana - 122009</p> <p>Occupation: Business</p> <p>Date of birth: August 10, 1958</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since August 12, 2016</p>	63	<p>Indian Companies</p> <ul style="list-style-type: none"> Amrylis Farmworks Private Limited Avensa Chemical Solutions Private Limited Blue Star Limited Caleffi Bed and Bath (India) Private Limited Greaves Cotton Limited Stylenama Retail Private Limited Technopak Advisors Private Limited Technopak Skills Foundation Welspun India Limited <p>Foreign Companies</p> <p>Nil</p>

Sl. No.	Name, designation, address, occupation, date of birth, nationality, period and term and DIN	Age (years)	Directorships in other companies
	<p>Term: For a period of five years with effect from August 11, 2021</p> <p>DIN: 00709084</p>		
8.	<p>Vikas Vijaykumar Khemani</p> <p>Designation: Independent Director</p> <p>Address: 17/B, 17th Floor, Manek Great Eastern CHSL, L.D. Ruparel Marg, Malabar Hill, Mumbai – 400 037</p> <p>Occupation: Business</p> <p>Date of birth: September 2, 1976</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since March 12, 2019</p> <p>Term: For a period of five years from March 12, 2019</p> <p>DIN: 00065941</p>	45	<p>Indian Companies</p> <ul style="list-style-type: none"> • BSAS Infotech Limited • Carnelian Asset Advisors Private Limited • Tibbs Foods Private Limited <p>Foreign Companies</p> <p>Nil</p>
9.	<p>Srikanth Velamakanni</p> <p>Designation: Independent Director</p> <p>Address: 3701, Tower C, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Mumbai – 400 063</p> <p>Occupation: Entrepreneur</p> <p>Date of birth: February 16, 1974</p> <p>Nationality: Indian</p> <p>Period of directorship: Director since March 25, 2021</p> <p>Term: For a period of five years with effect from March 25, 2021</p> <p>DIN: 01722758</p>	47	<p>Indian Companies</p> <ul style="list-style-type: none"> • Cuddle Artificial Intelligence Private Limited • Eugenie Technologies Private Limited • Final Mile Consultants Private Limited • Fractal Analytics Private Limited • Predicta Solutions Private Limited • Qure.AI Technologies Private Limited • Theremin AI Solutions Private Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> • Fractal Analytics Inc. (USA) • Fractal Private Limited (Singapore) • Fractal Analytics UK Ltd. • Fractal Analytics (Canada) Inc. • Fractal Analytics (Switzerland) GmbH • Fractal Analytics Germany GmbH • Cuddle.ai Inc. • Cuddle Artificial Intelligence Private Limited • Qure.ai Technologies Private Limited • 4i Consulting, Inc. • Fractal Analytics Netherlands B.V. • Fractal Analytics Australia Pty Ltd • Final Mile Consulting LLC

Sl. No.	Name, designation, address, occupation, date of birth, nationality, period and term and DIN	Age (years)	Directorships in other companies
			<ul style="list-style-type: none"> • Theremin AI Solutions Private Limited • Eugenie Technologies Private Limited • Final Mile Consultants Private Limited • Fractal Analytics Malaysia SDN BHD • Qure.ai Technologies Inc. • Fractal Analytics (Shanghai) Limited • Fractal Analytics Sweden AB • Eugenie.ai Inc.

Arrangement or understanding with major shareholders, customers, suppliers or others

Other than Utpal Hemendra Sheth, who has been appointed to our Board pursuant to the subscription and shareholders agreement dated January 18, 2007, as amended, none of our current Directors have been appointed to our Board pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others. Further, none of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Brief Biographies of Directors

Rafique A. Malik is the Chairman of our Board. He holds a bachelor's degree in commerce from Siddharth College of Commerce and Economics, University of Bombay. He has attended the Owner/President Management Program at the Harvard Graduate School of Business. He has secured 1st position in the 'Ladies Shoes' category and the 3rd position in the 'Gents Dress Shoes' category at the All India Fashion Parade and Design Competition for Leather, Leathergoods and Footwear, 1970, organized by the Indian Leather Technologists' Association. He has been associated with our Company as a director since January 19, 1977. He has over 50 years of experience in the field of footwear retail.

Farah Malik Bhanji is the Managing Director on our Board. She holds a bachelor's degree in arts and a bachelor's degree in business administration from the University of Texas at Austin. She is presently attending the Owner/President Management Program at the Harvard Graduate School of Business. She has been associated with our Company as a director since December 5, 2000. She has over 20 years of experience in the field of footwear retail.

Mohammed Iqbal Hasanally Dossani is the Whole-time Director on our Board. He holds a bachelor's degree in commerce, in Financial Accounting and Auditing (Special) from Smt. Mithibai Motiram Kundnani College of Commerce and Economics, University of Mumbai. He has also successfully completed 'AESTHINT15: Rhetoric: The Art of Persuasive Writing and Public Speaking', a course of study offered by HarvardX, an online learning initiative of Harvard University. Prior to his time with our Company, he has been employed with Schefata Pharmaceutical and Development Laboratories as a factory accounts manager and M/s Workforce Media Network as partner. He was first appointed as an additional director of our Company on November 26, 2020.

Utpal Hemendra Sheth is the Non-Executive Director (Nominee director) on our Board. He holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay. He has also been awarded a certificate of merit by the Institute of Chartered Financial Analysts of India. He was first appointed as an alternate director in our Company on March 14, 2007. He has been working with Rare Enterprises since 2003 and is currently the chief executive officer of Rare Enterprises, a proprietary asset management firm, and is responsible for investment and risk management.

Manoj Kumar Maheshwari is the Independent Director on our Board. He holds a bachelor's degree in science from the University of Bombay. He has been associated with our Company as an Independent Director since July 24, 2009. He is the chairman and director of Maheshwari Investors Private Limited and is a director on the board of directors of Mahindra CIE Automotive Limited, R.J Investment Private Limited and RPG Life Sciences Limited.

Aruna Bhagwan Advani is the Independent Director on our Board. She holds a bachelor's degree in science from University of Sussex. She has been awarded the craft certificate in women's light clothing manufacture by the London College of Fashion. She has been associated with our Company as an Independent Director since July 27, 2010. Prior to joining our Company, she was working as the executive chairman of Ador Welding Limited for more than ten years.

Arvind Kumar Singhal is the Independent Director on our Board. He holds a bachelor's degree in electronics and communication engineering from University of Roorkee and a master's degree in business administration from University of California. He has been associated with our Company as an Independent Director since August 12, 2016. He has been associated with Technopak Advisors Private Limited since 1994 and is presently its managing director.

Vikas Vijaykumar Khemani is the Independent Director on our Board. He has been associated with our Company as an Independent Director since March 12, 2019. He is an associate of the Institute of Chartered Accountants of India and has passed the final examination held by the Institute of Company Secretaries of India. He is a director on the board of directors of BSAS Infotech Limited, Carnelian Asset Advisors Private Limited and Tibbs Foods Private Limited.

Srikanth Velamakanni is the Independent Director on our Board. He holds a bachelor's degree in Electrical Engineering from the Indian Institute of Technology, Delhi and has completed the two year post-graduate programme in management from Indian Institute of Management, Ahmedabad. He is a whole time director of Fractal Analytics Private Limited. He has been associated with our Company as an Independent Director since March 25, 2021.

Details regarding directorships of our Directors in listed companies

None of our Directors is or was, during the last five years preceding the date of this Prospectus, a director of any listed company whose shares have been or were suspended from being traded on the stock exchanges during their tenure as a director in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during their tenure as a director in such company.

Confirmations

As on the date of this Prospectus, our Company, none of our Directors or Promoters have been declared as "Fraudulent Borrowers" by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 1, 2016.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Terms of appointment of Directors

1. Remuneration to Executive Directors:

Rafique A. Malik

Rafique A. Malik, our then managing director, and was re-designated as the Chairman of our Company with effect from April 1, 2013. During Fiscal 2021, the total amount of compensation paid to him was ₹ 67.34 million.

Pursuant to a resolution of our board dated March 9, 2017 Rafique A. Malik is entitled to a remuneration of up to ₹ 2.64 million per month effective from April 1, 2017 with an annual increment as may be decided by the Board or the Nomination, Remuneration and Compensation Committee, and includes perquisites such as Company maintained car with a driver for Company's business, free use of the Company's telephone at the residence and cell-phone for Company's business, leave salary equivalent to one month's salary or as decided by the Board, bonus equivalent to one month's salary or as decided by the Board along with a performance bonus of 15% of his CTC or as decided by the Board. Additionally, he is entitled to gratuity of half month's salary for every completed year of service and a contribution of 12% of his salary by the Company towards his provident fund with effect from April 1, 2017. Pursuant to a resolution of the Board dated June 11, 2021 and the resolution of the

Shareholders dated June 21, 2021, approval has been accorded for payment of remuneration to him for three years from April 1, 2020 to March 31, 2023, provided that the maximum remuneration payable for this period shall not exceed ₹ 150 million per annum.

Farah Malik Bhanji

Farah Malik Bhanji was reappointed as a Managing Director with effect from April 1, 2017 for a period of five years, pursuant to a resolution of our Board dated March 9, 2017. She was also the Chief Executive Officer of our Company up to June 30, 2021. During Fiscal 2021, the total amount of compensation paid to her was ₹ 28.06 million.

Pursuant to a resolution of our board dated March 9, 2017, Farah Malik Bhanji is entitled to a remuneration of up to ₹1.05 million per month effective from April 1, 2017 with an annual increment as may be decided by the Board or the Nomination, Remuneration and Compensation Committee, and includes perquisites such as Company maintained car with a driver for Company's business, free use of the Company's telephone at the residence and cell-phone for Company's business, leave salary equivalent to one month's salary or as decided by the Board, bonus equivalent to one month's salary or as decided by the Board along with a performance bonus of 15% of her CTC or as decided by the Board. Additionally, she is entitled to gratuity of half month's salary for every completed year of service and a contribution of 12% of her salary by the Company towards her provident fund with effect from April 1, 2017. Pursuant to a resolution of the Board dated June 11, 2021 and the resolution of the Shareholders dated June 21, 2021, approval has been accorded for payment of remuneration to her for three years from April 1, 2020 to March 31, 2023, provided that the maximum remuneration payable for this period shall not exceed ₹ 70 million per annum.

Mohammed Iqbal Hasanally Dossani

Mohammed Iqbal Hasanally Dossani was appointed as a Whole Time Director with effect from November 26, 2020, pursuant to a resolution passed by our Board. During Fiscal 2021, the total amount of compensation paid to him was ₹ 2.46 million.

Pursuant to a resolution of our board dated November 26, 2020, Mohammed Iqbal Hassanally Dossani is entitled to a remuneration in the scale of ₹ 0.19 million per month with annual increment as per our Company's policy or as may be decided by the Board or the Nomination, Remuneration and Compensation Committee, and perquisites include leave salary equivalent to one month's salary or as decided by the Board, bonus equivalent to one month's salary or as decided by the Board, with the Board having power to vary or alter these terms and conditions, subject to compliance with applicable law. Additionally, he is entitled to gratuity of half month's salary for every completed year of service and a contribution of 12% of his salary by the Company towards his provident fund.

2. Remuneration details of Non-executive and Independent Directors:

Pursuant to the Board resolution dated August 12, 2014, each Non-executive Director and Independent Director, is entitled to receive sitting fees of ₹ 0.03 million per meeting for attending meetings of the Board and sitting fees of ₹ 0.02 million per meeting for attending meetings of committees of the Board. Details of the remuneration paid to the Non- Executive Directors and Independent Directors of our Company for the Financial Year 2021 are as follows:

Sl. No.	Name of Director	Sitting Fees (in ₹ million)
1.	Manoj Kumar Maheshwari	0.26
2.	Aruna Bhagwan Advani	0.26
3.	Arvind Kumar Singhal	0.18
4.	Vikas Vijaykumar Khemani	0.03
5.	Srikanth Velamakanni	0.03

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. The shareholding of the Directors in our Company as of the date of this Prospectus is set forth below:

Name of Director	Number of Equity Shares held
Rafique A. Malik*	2,700,000
Farah Malik Bhanji**	7,933,000

* First holder, and jointly held with Aziza Rafique Malik and Farah Malik Bhanji.

** First holder, and jointly held with Rafique A. Malik.

Interest of Directors

All Non – Executive Directors and Independent Directors may be deemed to be interested to the extent of sitting fees payable, if any, to them for attending meetings of our Board and committees thereof, and reimbursement of expenses available to them. Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in “*Our Management – Terms of appointment of our Directors - Remuneration to Executive Directors*” on page 193 and for the compensation / commissions payable to them or their relatives in relation to the stores owned by such directors or their relatives and leased to the Company.

Further, other than Rafique A. Malik and Farah Malik Bhanji, none of our Directors have any interest in the promotion or formation of our Company. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Other than as disclosed in “*Interests of our Promoters – Interest in the property of our Company*”, none of our Directors have any interest in any property acquired or proposed to be acquired by our Company or transaction for acquisition of land, construction of building and supply of machinery, etc.

No loans have been availed by our Directors from our Company or the Subsidiary.

Bonus or profit-sharing plan of the Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Changes in the Board in the last three years

Name	Date of Change	Reason
Vikas Vijaykumar Khemani	March 12, 2019	Appointment as Independent Director
Aziza Malik	November 26, 2020	Retirement as Whole Time Director due to superannuation
Subhash Malik	November 26, 2020	Retirement as Director due to superannuation
Mohammed Iqbal Hasanally Dossani	November 26, 2020	Appointment as Whole Time Director
Srikanth Velamakanni	March 25, 2021	Appointment as Independent Director
Karan Jasjit Singh	March 25, 2021	Resignation as Independent Director owing to preoccupation
Rakesh Jhunjhunwala	March 25, 2021	Resignation as Director owing to other commitments

Borrowing Powers of Board

In accordance with the Articles of Association and subject to the provisions of the Companies Act, 2013, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, borrow any sum of money for the purpose of our Company and the Board may secure repayment of such money in such manner and upon such terms and conditions in all respects as it thinks fit.

Remuneration paid or payable by our Subsidiary or associate company to Directors

There is no remuneration paid or payable by our Subsidiary to our Directors. Our Company does not have an associate company.

Corporate Governance

The corporate governance provisions of the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges, BSE and NSE. We are in compliance with the requirements

of the applicable regulations, including the Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof, as applicable. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. Manoj Kumar Maheshwari – Chairman
2. Farah Malik Bhanji – Member
3. Aruna Bhagwan Advani – Member

The Audit Committee was constituted on August 3, 2012 and was last re – constituted on August 12, 2016. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations and its terms of reference are as follows:

- (a) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (b) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (e) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (f) examine and review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) matters required to be included in the director's responsibility statement to be included in the board of directors report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions; and
 - (vii) modified opinion(s) in the draft audit report.
- (g) review, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (h) review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (i) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (j) approve of any subsequent modification transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013;
- (k) scrutinise inter-corporate loans and investments;
- (l) valuation of undertakings or assets of the Company, wherever it is necessary;
- (m) evaluate internal financial controls and risk management systems;
- (n) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) discuss with internal auditors of any significant findings and follow up there on;

- (q) review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (t) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (u) to review the functioning of the whistle blower mechanism;
- (v) monitor the end use of funds raised through public offers and related matters;
- (w) oversee the vigil mechanism established by the Company with the chairman of the audit committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (x) approve the appointment of the Chief Financial Officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) of the Company after assessing the qualifications, experience and background, etc. of the candidate;
- (y) review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
- (z) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (aa) carry out any other function required to be carried out by the Audit Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time.”

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
- (c) management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
- (d) internal audit reports relating to internal control weaknesses;
- (e) appointment, removal and terms of remuneration of the chief internal auditor;
- (f) review the financial statements, in particular, the investments made by any unlisted subsidiary; and
- (g) statement of deviations in terms of the Listing Regulations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice.”

The powers of the Audit Committee shall include the following:

- (a) to investigate any activity within its terms of reference
- (b) to seek information from any employee of the Company;
- (c) to obtain outside legal or other professional advice; and
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (e) such other powers as may be prescribed under the Companies Act and the Listing Regulations.

Nomination, Remuneration and Compensation Committee

The members of the Nomination, Remuneration and Compensation Committee are:

1. Aruna Bhagwan Advani – Chairperson
2. Rafique A. Malik – Member
3. Manoj Kumar Maheshwari - Member

The Nomination, Remuneration and Compensation Committee was constituted on August 3, 2012, and was last reconstituted on August 19, 2021. The scope and function of the Nomination, Remuneration and Compensation Committee is in accordance with Section 178 of the Companies Act and the SEBI LODR. The terms of reference of the Nomination, Remuneration and Compensation Committee include the following:

- (a) identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of the Board, its committees, the individual Directors to be carried out either by the Board, the Nomination, Remuneration and Compensation Committee or by an independent external agency and review its implementation and compliance (including that of Independent Directors);
- (b) formulate the criteria for determining qualifications, positive attributes and independence of a director;
- (c) formulate criteria for evaluation of independent directors and the Board;
- (d) devise a policy on Board diversity;
- (e) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;
- (f) recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
the Nomination, Remuneration and Compensation Committee, while formulating the above policy, should ensure that –
 - (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (g) frame suitable policies, procedures and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- (h) recommend to the Board, all remuneration, in whatever form, payable to senior management;
- (i) perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Companies Act or by the Listing Regulations or by any other applicable law or regulatory authority;
- (j) Frame suitable policies, procedures and systems relating to the administration and superintendence of the ESOP plans of the Company;
- (k) For every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
For the purpose of identifying suitable candidates, the Committee may:
 - (i) use the services of an external agencies, if required;
 - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (iii) consider the time commitments of the candidates; and
- (l) to do all such acts, deeds and things in accordance with the nomination and remuneration policy of the Company as adopted by the Board from time to time.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. Aruna Bhagwan Advani - Chairperson
2. Farah Malik Bhanji – Member
3. Mohammed Iqbal Hasanally Dossani – Member

The Stakeholders' Relationship Committee was constituted by our Board at their meeting held on January 30, 2019 and reconstituted at the meeting dated November 26, 2020. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act and the SEBI LODR. The terms of reference of the Stakeholders' Relationship Committee are as follows:

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

- (b) review of measures taken for effective exercise of voting rights by shareholders;
- (c) review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
- (d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- (e) Carry out such other functions as may be specified by the Board from time to time or specified under the Companies Act or Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Rafique A. Malik – Chairman
2. Farah Malik Bhanji – Member
3. Arvind Kumar Singhal– Member

The Corporate Social Responsibility Committee was constituted by our Board at their meeting held on August 12, 2014 and was last re – constituted on August 12, 2016. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

- (a) Formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (b) Formulate and recommend an annual action plan in pursuance of its corporate social responsibility policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
- (c) Identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (d) Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (e) Delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (f) Review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (g) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (h) Exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The members of the Risk Management Committee are:

1. Farah Malik Bhanji – Chairperson
2. Aruna Bhagwan Advani - Member
3. Utpal Hemendra Sheth – Member

The Risk Management Committee was constituted by our Board at their meeting held on June 25, 2021. The terms of reference of the Risk Management Committee of our Company include the following:

- (a) Formulating a detailed risk management policy for *inter alia* risk assessment and minimization procedures which will include:
 - (i) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risks as may be determined by the committee;
 - (ii) Measures for risk mitigation including systems and processes for internal control of identified risks;
 - (iii) Business continuity plan;
- (b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- (c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, including cyber security;
- (d) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and the terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (g) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (h) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

Management Organisation Chart



Key Managerial Personnel

For details in relation to our Managing Director and Whole-time Director, see “*Brief Biographies of Directors*” and “*Remuneration to Executive Directors*” on pages 192 and 193, respectively.

Nissan Joseph is the Chief Executive Officer of our Company. He holds a master’s degree in business administration from the University of Western Sydney. He has in the past worked with Payless Shoes Pty Ltd and Hickory Brands, Inc. He has also spent over five years in key roles in Crocs, where he also worked with the Company. Prior to joining our Company, he was associated with MAP Active & Planet Sports Inc. in the Philippines, a lifestyle retailer in Southeast Asia, where he was chief executive officer since March 2020. He has been appointed as the Chief Executive Officer on July 1, 2021. Accordingly, he has not received any remuneration in Financial Year 2021.

Alisha Rafique Malik is the President, E-Commerce and Marketing of our Company. She holds a bachelor’s degree in Arts (Finance) from University of Northumbria conducted at Welingkar Institute of Management Development and Research. She has been associated with our Company since July 1, 2009. In Financial Year 2021, she was paid a remuneration of ₹ 4.70 million.

Kaushal Khodidas Parekh is the Chief Financial Officer of our Company. He holds a bachelor’s of commerce degree in Financial Accounting and Auditing (Special) from University of Mumbai and is a qualified chartered accountant. He has previously served as Associate Vice President, Ernst & Young Private Limited. He has been associated with our Company since March 28, 2012. In Financial Year 2021, he was paid a remuneration of ₹ 10.07 million.

Sohel Jalaludin Kamdar is the Chief Operating Officer of our Company. He holds a bachelor's degree of commerce in Financial Accounting and Auditing (Special) from Sydenham College of Commerce and Economics, University of Mumbai. He has been associated with our Company since February 16, 2005. He is a member of the Institute of Chartered Accountants of India. Prior to his joining the Company, he was associated with Jamani Investments Limited. In Financial Year 2021, he was paid a remuneration of ₹ 27.44 million.

Tarannum Yasinhousein Bhanpurwala is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from K.J. Somaiya College of Science and Commerce, University of Mumbai and a master's degree of commerce (external) from University of Mumbai. She also holds a bachelor's degree in law (general) from the Habib Educational & Welfare Society's M.S. College of Law and is an associate of the Institute of Company Secretaries of India. She has been associated with our Company since April 4, 2014. In Financial Year 2021, she was paid a remuneration of ₹ 0.62 million.

Status of Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Relationship between our Directors and Key Managerial Personnel

Except as stated below, none of our Directors are related to each other or to our Key Managerial Personnel:

Name of the Directors or Key Managerial Personnel	Relationship
Rafique A. Malik and Farah Malik Bhanji	Father and daughter
Rafique A. Malik and Alisha Rafique Malik	Father and daughter
Farah Malik Bhanji and Alisha Rafique Malik	Sisters

Shareholding of Key Managerial Personnel

Except as disclosed in “*Shareholding of Directors in our Company*” on page 194, and stated below, none of our Key Managerial Personnel hold any Equity Shares in our Company as on the date of this Prospectus:

Name of Key Managerial Personnel	Number of Equity Shares held
Alisha Rafique Malik*	11,907,000
Kaushal Khodidas Parekh**	81,000
Sohel Jalaludin Kamdar	226,800

*First holder, and jointly held with Rafique A. Malik.

** First holder, and jointly held with Shivani Kaushal Parekh.

Bonus or profit-sharing plans of the Key Managerial Personnel

None of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company.

Interests of Key Managerial Personnel

Other than as disclosed in this section and in “*Our Management - Interest of Directors*” on page 195 and other than for the compensation / commissions payable to them or their relatives in relation to the stores owned by such Key Managerial Personnel or their relatives and leased to the Company, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Our Key Managerial Personnel may also be deemed to be interested to the extent of ESOPs granted to them, any dividend payable to them and other distributions in respect of the Equity Shares held by them. For further details regarding the shareholding of our Key Managerial Personnel, see “*Our Management – Shareholding of Key Managerial Personnel*” on page 201.

Certain of our Key Managerial Personnel may also be regarded as interested in the Equity Shares held by them.

Arrangements and understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been selected as the Key Managerial Personnel of our Company.

Service Contracts with Directors and Key Managerial Personnel

No officer of our Company, including our Directors and the Key Managerial Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Contingent and deferred compensation payable to our Director and Key Managerial Personnel

There is no contingent or deferred compensation accrued for Financial Year 2021 and payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

Payment or benefit to Key Managerial Personnel

No non – salary amount or benefit has been paid or given to any of our Key Managerial Personnel within the two preceding years or is intended to be paid or given.

Changes in the Key Managerial Personnel

Except as disclosed below and as disclosed in “*Changes in the Board in the last three years*” on page 195, there have been no changes in the Key Managerial Personnel in the last three years:

Name	Date of change	Reason for change
Jaiprakash Janardan Desai	November 26, 2020	Retirement as Company Secretary and Chief Financial Officer due to superannuation
Kaushal Khodidas Parekh	November 26, 2020	Appointment as the Chief Financial Officer
Tarannum Yasinhusein Bhanpurwala	November 26, 2020	Appointed as the Company Secretary
Farah Malik Bhanji	June 30, 2021	Resignation as CEO to devote more time as the Managing Director of the Company
Nissan Joseph	July 1, 2021	Appointment as the Chief Executive Officer

Employee Stock Option Scheme

For details of our employee stock option schemes, see the section titled “*Capital Structure*” on page 75.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Our Promoters are Rafique A. Malik, Farah Malik Bhanji, Alisha Rafique Malik, Rafique Malik Family Trust and Aziza Malik Family Trust. As on the date of this Prospectus, our Promoters hold 181,742,520 Equity Shares, representing 68.43% of the issued, subscribed and paid-up equity share capital of our Company.

Details of our Promoters



Rafique A. Malik

Rafique A. Malik, aged 71 years, is the Chairman of our Company. For further details, see “*Our Management – Brief Biographies of our Directors*” on page 192.

His permanent account number is AABPM5599H and Aadhar card number is 306240685972. His driving license number is MH0120090009704.



Farah Malik Bhanji

Farah Malik Bhanji, aged 45 years, is the Managing Director of our Company. For further details, see “*Our Management – Brief Biographies of our Directors*” on page 192.

Her permanent account number is AABPM5601L and Aadhar card number is 826716277517. Her driving license number is MH0120100084648.



Alisha Rafique Malik

Alisha Rafique Malik, aged 35 years, is the President – E -Commerce and Marketing of our Company. For further details, see “*Our Management – Key Managerial Personnel*” on page 200.

Her permanent account number is AKUPM8942M and Aadhar card number is 4648 6837 3805. Her driving license number is MH0120100085602.

Rafique Malik Family Trust

Trust Information

Rafique Malik Family Trust was formed pursuant to a trust deed dated January 31, 2017 amended by first amendment agreement dated April 17, 2017 and second amendment agreement dated January 29, 2019. The office of Rafique Malik Family Trust is at 401, Zillion, 4th Floor, L.B.S. Marg and C.S.T. Road Junction, Kurla (West), Mumbai – 400 070.

Rafique A. Malik is the settlor of the Rafique Malik Family Trust.

Board of Trustees

The trustees of Rafique Malik Family Trust are Zarah Rafique Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik and Zahir Kurbanali Javeri.

Beneficiaries of Trust

The primary beneficiaries of the Rafique Malik Family Trust during the joint lifetimes of Rafique A. Malik and Aziza Rafique Malik and until the death of the survivor thereof, are Aziza Rafique Malik, Zarah Rafique Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi and Alisha Rafique Malik, or any trust in existence at the time of which any of these beneficiaries, except Aziza Rafique Malik, are also a beneficiary.

Objects and Function

The overall objective of Rafique Malik Family Trust is to hold, manage, invest and reinvest the trust property for uses and purposes of and to distribute the net income therefrom and the principal thereof for the benefit of the beneficiaries.

Change in control

There has been no change in control of Rafique Malik Family Trust in the three years immediately preceding the date of this Prospectus.

Aziza Malik Family Trust

Trust Information

Aziza Malik Family Trust was formed pursuant to a trust deed dated January 31, 2017 amended by first amendment agreement dated April 17, 2017 and second amendment agreement dated January 29, 2019. The office of Aziza Malik Family Trust is at 401, Zillion, 4th Floor, L.B.S. Marg and C.S.T. Road Junction, Kurla (West), Mumbai – 400 070.

Aziza Rafique Malik is the settlor of the Aziza Malik Family Trust.

Board of Trustees

The trustees of the Aziza Malik Family Trust are Zarah Rafique Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik and Zahir Kurbanali Javeri.

Beneficiaries of Trust

The primary beneficiaries of the Aziza Malik Family Trust, during the lifetime of Aziza Rafique Malik and until her death, Zarah Rafique Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi and Alisha Rafique Malik, or any trust in existence at the time of which any of these beneficiaries are also a beneficiary.

Objects and Function

The overall objective of the Aziza Malik Family Trust is to hold, manage, invest and reinvest the trust property for uses and purposes of and to distribute the net income therefrom and the principal thereof for the benefit of the beneficiaries.

Change in control

There has been no change in control of Aziza Malik Family Trust in the three years immediately preceding the date of this Prospectus.

Our Company confirms that the PAN, passport number and bank account number of Rafique A. Malik, Farah Malik Bhanji, Alisha Rafique Malik and the PAN and bank account number of Rafique Malik Family Trust and Aziza Malik Family Trust will be submitted to the Stock Exchanges at the time of filing of this Prospectus with them.

Change in Control of our Company

Rafique A. Malik is the original Promoter of our Company. Farah Malik Bhanji, Alisha Rafique Malik, Rafique Malik Family Trust and Aziza Malik Family Trust became the promoters of our Company pursuant to acquisition of stake in our Company. However, there has been no effective change in control of our Company in the five years

immediately preceding the date of this Prospectus. For details, see ‘*Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company*’ on page 90.

Interests of our Promoters

Interest in the promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company, and to the extent of their and their relatives’ shareholding in our Company, the dividends payable and any other distributions in respect of their shareholding in our Company and to the extent of remuneration received for attending the meetings of the Board of Directors and its committees thereof. For further details, see “*Capital Structure - Details of Shareholding of our Promoters and members of the Promoter Group in our Company*” on page 90.

Interest in the property of our Company

Except as stated below, our Promoters have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Prospectus or proposed to be acquired by it as on the date of filing of this Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery etc.:

1. Allium Property LLP, one of our promoter group entities, of which Rafique A. Malik, Alisha Rafique Malik, and Farah Malik Bhanji are members, is interested to the extent of ₹ 210.44 million received as consideration by Allium Property LLP pursuant to its sale of certain units of property situated at Zillion, Kurla (West) to our Company. For details, see “*Financial Statements – Related Party Transaction Schedule*” on page 256.
2. Rafique A. Malik is interested to the extent of being the registered proprietor of M/s. Metro Shoes which has assigned of 16 trademarks to our Company along with the goodwill thereof pursuant to the deed of assignment dated February 20, 2007 for a consideration of ₹ 11.92 million.
3. Rafique A. Malik is interested to the extent of being the registered proprietor of M/s. Metro Shoes which has assigned 11 trademarks to our Company along with the goodwill thereof pursuant to the deed of assignment dated February 24, 2014 for a consideration of ₹ 0.06 million.
4. Rafique A. Malik is interested to the extent of compensation at the rate of 13% of the net sales (8% during reduction sale from the store), payable by our Company pursuant to the concession agreement dated May 6, 2016 and the amendment letter dated June 15, 2016, between Rafique A. Malik, Aziza Rafique Malik and our Company in lieu for the right granted to our Company to use a premises situated at Ahmedabad for the purpose of running a store.
5. Rafique A. Malik is interested to the extent of commission at the rate of 10% of the net sales (5% during reduction sale from the store) payable by our Company pursuant to the concession agreement dated May 5, 2021 between M/s Metro Shoes, a sole proprietorship concern of Rafique A. Malik, and our Company in lieu of the services rendered to our Company to stock and sell its products on its behalf at its store situated at Mumbai.
6. Rafique A. Malik is interested to the extent of compensation at the rate of 13% of the net sales (8% during reduction sale from the store) payable by our Company pursuant to the concession agreement dated April 1, 2012, between Rafique A. Malik, Aziza Rafique Malik and our Company in lieu for the right granted to our Company to use a premises situated at Mumbai for the purpose of running a store.
7. Rafique A. Malik is interested to the extent of compensation at the rate of 13% of the net sales (8% during reduction sale from the store) payable by our Company pursuant to the concession agreement dated September 5, 2012, the letter dated April 15, 2016 and amendment letter dated April 1, 2018, between Rafique A. Malik, Aziza Rafique Malik and our Company in lieu for the right granted to our Company to use a premises situated at Nasik for the purpose of running a store.

Interest in our Company arising out of being a member of a firm or company

Our Promoters are not interested as members of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to

become, or qualify him as a director, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Interest in our Company other than as Promoters

Except as mentioned in this section and sections titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Related Party Transactions*” on pages 153, 181, 188 and 281, respectively, our Promoters do not have any other interest in our Company.

Payment or benefits to Promoter or Promoter Group

Except as stated in “*Related Party Transactions*” on page 281, there have been no amounts paid or benefits paid or given by our Company to our Promoters or Promoter Group in the preceding two years nor is there any intention to pay any amount or provide any benefit to our Promoters or Promoter Group as on the date of this Prospectus.

Disassociation by our Promoters in the last three years

Our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of filing of this Prospectus.

Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as on the date of this Prospectus.

Promoter Group

In addition to the Promoters mentioned above, the individuals and entities that form part of the Promoter Group of our Company in terms of the SEBI ICDR Regulations are set out below:

A. Natural persons who are a part of our Promoter Group

S. No.	Names of individuals	Relationship
1.	Aziza Rafique Malik	Spouse of Rafique Abdul Malik Mother of Farah Malik Bhanji Mother of Alisha Rafique Malik
2.	Mumtaz A. Jaffer	Sister of Rafique Abdul Malik
3.	Rukshana Kurbanali Javeri	Sister of Rafique Abdul Malik
4.	Zarah Rafique Malik	Daughter of Rafique Abdul Malik Sister of Farah Malik Bhanji Sister of Alisha Rafique Malik
5.	Zia Malik Lalji	Daughter of Rafique Abdul Malik Sister of Farah Malik Bhanji Sister of Alisha Rafique Malik
6.	Sabina Malik Hadi	Daughter of Rafique Abdul Malik Sister of Farah Malik Bhanji Sister of Alisha Rafique Malik
7.	Suleiman Bhanji	Spouse of Farah Malik Bhanji
8.	Shirin S. Bhanji	Mother of spouse of Farah Malik Bhanji
9.	Nuruddin Bhanji	Brother of spouse of Farah Malik Bhanji
10.	Zain Malik Bhanji	Son of Farah Malik Bhanji
11.	Iman Malik Bhanji	Son of Farah Malik Bhanji
12.	Inaaya Malik Bhanji	Daughter of Farah Malik Bhanji
13.	Zahir Kurbanali Javeri	Trustee of Rafique Malik Family Trust and Aziza Malik Family Trust
14.	Hishamuddin Saleh	Brother of spouse of Rafique Abdul Malik

B. Entities who are a part of our Promoter Group

S. No.	Names of entities	Regulation
1.	Metro Shopping Plaza Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations.
2.	Metro Shopping Arcade Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
3.	Metro House Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
4.	Metro Holdings and Securities Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
5.	Metro Shoes	Regulation 2.1(pp)(iv)(C) of the SEBI ICDR Regulations
6.	Orchid Palace LLP	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
7.	Rose Palace LLP	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
8.	Lotus Palace LLP	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
9.	Allium Property LLP	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
10.	Design Matrix Associated Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
11.	Design Matrix Interiors LLP	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
12.	Artel Inc., USA	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
13.	Zarah Malik Family Trust	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
14.	Zia Malik Family Trust	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
15.	Sabina Malik Family Trust	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
16.	Farah Malik Family Trust	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
17.	Sabina Comtrade Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
18.	Zarah Comtrade Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations
19.	Zia Comtrade Private Limited	Regulation 2.1(pp)(iv)(A) of the SEBI ICDR Regulations

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than the Subsidiary) with which there were related party transactions during the periods covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Further, the Board pursuant to the Materiality Policy, has determined that a company (other than the Subsidiary and Promoters and the companies covered under the schedule of related party transactions as per the Restated Consolidated Financial Information) shall be considered “material” and will be disclosed as a ‘Group Company’ in the offer documents, if (a) it is a member of the Promoter Group (companies) (other than the Promoters) in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and the Company has entered into one or more transactions with such company during the last completed fiscal year (or relevant sub period, if applicable), which individually or cumulatively in value exceeds 10% of the consolidated revenue from operations of the Company for the last completed fiscal year as per the Restated Consolidated Financial Information.

Based on the above, our Group Companies are set forth below:

1. M.V. Shoe Care Private Limited; and
2. Design Matrix Associated Private Limited.

Details of our Group Companies

1. M. V. Shoe Care Private Limited

Registered office

The registered office of M. V. Shoe Care Private Limited is located at C-152, Sarvodaya Enclave, New Delhi – 110 017, India.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements available on a standalone basis of M. V. Shoe Care Private Limited, for the Fiscals 2021, 2020 and 2019, are available at <https://www.propremiumcare.com/about-us/>.

2. Design Matrix Associated Private Limited

Registered office

The registered office of Design Matrix Associated Private Limited is situated at 110, Sidrah, 6th floor, corner of 8th Road, S.V. Road, Khar (West) Mumbai 400 052, Maharashtra, India.

Financial Performance

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements available on a standalone basis of Design Matrix Associated Private Limited for the Fiscals 2021, 2020 and 2019, are available at <https://metrobrands.com/corporate-governance/>.

Litigation which has a material impact on our Company

For details, see “*Outstanding Litigation and Material Developments – Litigations involving Group Companies*” on page 335.

Nature and extent of interest of Group Companies

Our Group Companies do not have any interest in the promotion of our Company.

Our Group Companies are not interested in the properties acquired by our Company in the three preceding years or proposed to be acquired by our Company.

Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits

There are no common pursuits amongst our Group Companies and our Company.

Related Business Transactions within the group and significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Related Party Transactions*" on page 281, there are no other business transactions between our Company and Group Companies which are significant to the financial performance of our Company.

Business interests or other interests

Except as disclosed in "*Related Party Transactions*" on page 281, our Group Companies do not have any business interest in our Company.

Other Confirmations

Our Group Companies do not have any securities listed on a stock exchange. Further, our Group Companies have not undertaken any public or rights issue of securities in the three years preceding the date of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends is recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013 and the Companies (Declaration and Payment of Dividends) Rules, 2014. The dividend distribution policy of our Company (“**the Policy**”) was adopted and approved by our Board in its meeting dated August 23, 2018.

The dividend, if any, will depend on a number of internal and external factors, including but not limited to future expansion plans of the Company, including brand acquisitions, new product launches and long-term investments, net profits earned and free cash generated by the Company during the fiscal year, liquidity and applicable taxes including dividend distribution tax, if any, payable by our Company. In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see “*Financial Indebtedness*” on page 322.

The details of dividend on Equity Shares declared and paid by our Company in the last three Fiscal Years, for the six months period ended September 30, 2021 and until the date of this Prospectus are given below:

Particulars	For the fiscal year ended			In the six months period ended September 30, 2021	From October 1, 2021 till the date of this Prospectus**
	March 31, 2019	March 31, 2020	March 31, 2021**		
No. of Equity Shares	13,27,67,145	13,27,67,145	26,55,34,290	26,55,34,290	26,56,05,426
Face value per Equity Share (in ₹)	10	10	5 [^]	5 [^]	-
Interim dividend (in ₹ million)	318.64 (Refer Note 1)	-	99.58 (Refer Note 2)	-	-
Final dividend (in ₹ million)	51.60 (Refer Note 1)	-	398.30 (Refer Note 2)	298.73 (Refer Note 3)	-
Total dividend (in ₹ million)	370.24	-	497.88	298.73	-
Dividend per share (in ₹)	5.90	-	3.75 [#]	1.125	-
Rate of dividend (%) [*]	27.89%	-	37.50%	22.50%	-
Dividend distribution tax (% of dividend)	20.56%	-	-	-	-
Dividend Distribution Tax (in ₹ million)	76.11	-	-	-	-
Mode of payment of dividend	Cash	-	Cash	Cash	-

As certified by M.P. Chitale & Co, Chartered Accountants, pursuant to their certificate dated December 15, 2021.

^{*}Note: Rate of dividend is calculated by dividing total dividend amount by paid up share capital as on the end of the year.

^{**}Dividend distribution tax is not applicable since FY 2020-21.

[#]This comprises of final dividend for FY 19-20 declared and paid at ₹ 3 per share on the face of value ₹ 10 per share and interim dividend for FY 20-21 declared and paid at ₹ 0.75 per share on the face value of ₹ 10 per share.

[^] Pursuant to a split of shares effective March 30, 2021, each equity share of face value of ₹10 each was split into two Equity Shares of face value of ₹5 each.

Note 1: Final Dividend amount mentioned in Fiscal 2019 of ₹ 51.60 million pertains to the financial year 2017-18 and Interim Dividend amount mentioned in Fiscal 2019 of ₹ 318.64 million pertains to the financial year 2018-19.

Note 2: Final Dividend amount mentioned in Fiscal 2021 of ₹ 398.30 million pertains to the financial year 2019-20 and Interim Dividend amount mentioned in Fiscal 2021 of ₹ 99.58 million pertains to the financial year 2020-21.

Note 3: Final Dividend amount mentioned in period ended September 2021 of ₹ 298.73 million pertains to the financial year 2020-21

The amount of dividend paid in past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or the amount thereof will not be decreased in the future. For details, see “*Risk Factors – Our Company may not be able to pay dividends in the future*” on page 49.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Metro Brands Limited (Formerly known as Metro Shoes Limited)

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 6 below), the attached Restated Consolidated Financial Information of Metro Brands Limited (Formerly known as Metro Shoes Limited) (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group"), which includes Group's share of profit / loss in its joint venture, comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021 and 2020 and March 31, 2021, 2020 and 2019, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flow for the six month periods ended September 30, 2021 and 2020 and for the years ended March 31, 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 10, 2021 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with the Securities and Exchange Board of India, Registrar of Companies, Maharashtra at Mumbai, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 1.b to the Restated Consolidated Financial Information. The respective Boards of Directors of the companies included in the Group and of its joint venture are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information which have been used for the purpose of preparation of Restated Consolidated Financial Information by the Board of Directors of the Company, as aforesaid. The respective Boards of Directors are also responsible for identifying and ensuring that the Group/company and its joint venture comply with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 19, 2021 and addendum dated October 4, 2021 in connection with the proposed IPO;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:
- a) the audited special purpose interim consolidated financial statements of the Group as at and for the six month period ended September 30, 2021 and 2020 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", issued by Institute of Chartered Accountants of India and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial Statements") which have been approved by the Board of Directors at their meeting held on November 10, 2021; and
 - b) the audited consolidated financial statements of the Group as at and for the years ended March 31, 2021, 2020 and 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on June 25, 2021, July 30, 2020 and July 8, 2019 respectively.
5. For the purpose of our examination, we have relied on the audit reports issued by us dated November 10, 2021, June 25, 2021, July 30, 2020 and July 8, 2019 on the special purpose interim consolidated financial statements as at and for the six month periods ended September 30, 2021 and 2020 and consolidated financial statements of the Group as at and for the years ended March 31, 2021, 2020 and 2019 as referred in Paragraph 4 above , which includes the following other matter paragraph (also refer Note 1.b of the Restated Consolidated Financial Information):

I. As at and for the six month period ended September 30, 2020:

i. Other Matter paragraph

Due to restrictions imposed in the COVID-19 related lockdown, some inventory locations of the Company were closed on the date of the financial statements ended September 30, 2020 and management was unable to conduct physical verification of inventory as at September 30, 2020. Consequently, we were unable to observe the verification or perform test counts on inventory as at September 30, 2020. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items", which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the period and count conducted by an external expert, where applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these financial statements. Our report is not modified in respect of this matter.

II. As at and for the year ended March 31, 2020

i. Other Matter paragraph

Due to restrictions imposed in the COVID-19 related lockdown, some inventory locations of the Company were closed till date of audit report. The Management maintains inventory in its warehouse and showrooms and has an inventory physical verification program for performing physical count of inventory during the year – which was followed. However, due to the above mentioned restrictions, the management was unable to conduct physical verification of inventory as on the date of financial statements and consequently, we were unable to observe the verification or perform test counts on inventory as at year-end. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Considerations for Selected Items", which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the year and count conducted by an external expert, where applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these financial statements. our report is not modified in respect of this matter.

6. As indicated in our audit reports referred above, we did not audit financial statements of a subsidiary and a joint venture whose share of total assets, total revenues, net cash inflows / (outflows) and share of profit/ loss in its joint venture included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's

management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Rs in millions)

Particulars	As at/ for the period ended September 30, 2021	As at/ for the period ended September 30, 2020	As at/ for the year ended March 31, 2021	As at/ for the year ended March 31, 2020	As at/ for the year ended March 31, 2019
Total assets	484.82	837.09	523.40	1,407.98	891.62
Total revenue	173.80	337.41	482.54	1,757.72	1,443.31
Net cash inflow/ (outflows)	(37.71)	39.05	144.77	(18.12)	(38.16)
Share of (loss)/ profit in its joint venture	(0.25)	(16.88)	(5.98)	8.46	15.30

Our opinion on the consolidated financial statements is not modified in respect of these matters.

These other auditors of the subsidiary, as mentioned above, have examined the restated financial information and have confirmed that the restated financial information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six month period ended September 30, 2020 and in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2021;
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six month period ended September 30, 2020 and in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2021;
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with the Securities and Exchange Board of India, Registrar of Companies, Maharashtra at Mumbai, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For DELOITTE HASKINS & SELLS
Chartered Accountants
Firm's Registration No. 117365W

KETAN VORA
Partner
Membership No.100459
UDIN:21100459AAAAON7979

MUMBAI
November 10, 2021

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Restated Consolidated Financial Information
Restated Consolidated Statement of Assets and Liabilities
(Amount in Rupees Millions except for share data or as otherwise stated)

Particulars		Note No.	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A	ASSETS						
1	Non-current assets						
	(a) Property, plant and equipment	2a	2,184.03	2,211.88	2,200.18	2,205.93	2,178.13
	(b) Capital work-in-progress	2d	103.73	20.50	42.15	129.04	30.35
	(c) Right of use assets	2b	5,263.34	4,503.68	4,996.02	4,824.95	3,702.36
	(d) Intangible assets	2c	33.92	44.10	39.64	49.54	49.61
	(e) Intangible assets under development	2e	3.60	-	3.29	1.30	10.31
	(f) Investment in Joint Venture	3	72.60	61.94	73.00	78.92	70.85
	(g) Financial assets						
	(h) Other financial assets	5	463.54	379.33	432.85	392.21	359.62
	(i) Deferred tax assets (Net)	25	189.97	150.15	166.68	123.91	141.28
	(j) Non-current tax assets		108.90	24.59	31.15	23.61	1.14
	(k) Other non-current assets		32.85	18.84	29.42	28.06	19.87
	Total non-current assets	6	8,456.48	7,415.01	8,014.38	7,857.47	6,563.52
2	Current assets						
	(a) Inventories	7	3,386.36	3,106.83	2,897.55	3,761.31	3,646.15
	(b) Financial assets						
	(i) Investments	3	3,279.72	2,944.44	3,923.69	3,404.60	2,027.70
	(ii) Trade receivables	8	695.72	701.17	505.51	701.28	519.27
	(iii) Cash and cash equivalents	9a	193.72	99.90	263.16	104.95	115.26
	(iv) Bank Balances other than (iii) above	9b	772.31	154.02	616.08	3.89	5.65
	(v) Loans	4	16.61	12.89	18.79	19.15	13.74
	(vi) Other financial assets	5	163.16	93.33	131.12	70.76	20.60
	(c) Other current assets	6	431.98	183.82	223.12	250.82	303.17
	Total current assets		8,939.58	7,296.40	8,579.02	8,316.76	6,651.54
	Total assets (1+2)		17,396.06	14,711.41	16,593.40	16,174.23	13,215.06
B	EQUITY AND LIABILITIES						
1	Equity						
	(a) Equity share capital	10	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
	(b) Other equity	11	7,072.71	5,973.70	6,948.03	6,745.22	5,170.99
	Equity attributable to the owners of the Company		8,400.38	7,301.37	8,275.70	8,072.89	6,498.66
	Non-Controlling Interests		213.80	197.50	198.63	234.67	195.16
	Total equity		8,614.18	7,498.87	8,474.33	8,307.56	6,693.82
2	Non-current liabilities						
	(a) Financial liabilities						
	(i) Lease liabilities	30	5,157.64	4,347.73	4,886.46	4,580.31	3,476.79
	(ii) Borrowings	12	-	-	-	-	0.08
	(ii) Other financial liabilities	13	14.80	15.12	-	-	-
	(b) Provisions	14	6.88	7.00	6.35	5.57	5.84
	Total non-current liabilities		5,179.32	4,369.85	4,892.81	4,585.88	3,482.71
3	Current liabilities						
	(a) Financial liabilities						
	(i) Borrowings	12	9.27	74.65	14.06	115.23	98.56
	(ii) Trade payables						
	Total Outstanding dues of micro enterprises and small enterprises	15	57.70	2.47	22.03	17.42	15.73
	Total Outstanding dues of creditors other than micro enterprises and small enterprises	15	2,297.70	1,703.31	2,024.50	1,997.18	1,923.72
	(iii) Lease liabilities	30	854.72	767.99	768.50	795.38	668.84
	(iv) Other financial liabilities	13	142.13	144.52	144.55	186.54	133.00
	(b) Other Current liabilities	16	230.76	125.73	200.85	144.21	156.14
	(c) Provisions	14	10.28	24.02	8.37	24.83	24.69
	(d) Current tax liabilities (Net)		-	-	43.40	-	17.85
	Total current liabilities		3,602.56	2,842.69	3,226.26	3,280.79	3,038.53
	Total equity and liabilities (1+2+3)		17,396.06	14,711.41	16,593.40	16,174.23	13,215.06
See accompanying notes from 1 to 51 forming part of the Restated Consolidated Financial Information							

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

For and on behalf of the Board of Directors
Metro Brands Limited

Ketan Vora
Partner
(Membership No. 100459)

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Tarannum Bhanpurwala
Company Secretary
(Membership No. A42872)

Place: Mumbai
Date : November 10, 2021

Place: Mumbai
Date : November 10, 2021

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Restated Consolidated Financial Information
Restated Consolidated Statement of Profit and Loss
(Amount in Rupees Millions except for share data or as otherwise stated)

Particulars		Note No.	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations	17	4,560.02	1,765.44	8,000.57	12,851.62	12,170.65
II	Other Income	18	332.66	515.10	784.81	259.06	198.30
III	Total Income (I + II)		4,892.68	2,280.54	8,785.38	13,110.68	12,368.95
IV	Expenses						
	(a) Purchases of stock -in- trade	19	2,448.86	226.04	2,741.02	5,821.79	6,339.39
	(b) Changes in inventories of stock in trade	20	(488.81)	654.48	863.76	(115.16)	(852.05)
	(c) Employee benefits expense	21	526.63	482.90	1,026.02	1,267.57	1,121.35
	(d) Finance Costs	22	235.76	219.83	436.55	395.49	338.52
	(e) Depreciation and amortisation expenses	2a,2b &2c	651.49	618.83	1,218.44	1,206.05	936.46
	(f) Other expenses	23	958.89	518.77	1,654.54	2,350.77	2,204.00
	Total Expenses (IV)		4,332.82	2,720.85	7,940.33	10,926.51	10,087.67
V	Restated Profit/(loss) before tax and before share of profit of a Joint Venture (III-IV)		559.86	(440.31)	845.05	2,184.17	2,281.28
VI	Tax expense						
	(a) Current tax	24	152.00	-	235.47	570.53	769.92
	(b) Deferred tax (credit)/charge	25	(23.13)	(26.04)	(42.59)	16.35	(0.65)
	Total tax expense		128.87	(26.04)	192.88	586.88	769.27
VII	Restated Profit/(Loss) after tax for the period/year and before share of profit of a Joint Venture (V-VI)		430.99	(414.27)	652.17	1,597.29	1,512.01
VIII	Share of (Loss)/ Profit of a Joint Venture		(0.25)	(16.88)	(5.98)	8.46	15.30
IX	Restated Profit/(Loss) after tax for the period/year (VII+VIII)		430.74	(431.15)	646.19	1,605.75	1,527.31
X	Restated Other comprehensive income		7.43	20.76	18.46	6.41	(8.23)
	(i) Items that will not be reclassified to profit or loss						
	- Gain / (Loss) on Remeasurements of the defined benefit plans						
	(i) Group		10.89	11.26	14.85	1.72	(6.18)
	(ii) Share in Joint Venture		(0.15)	(0.10)	0.06	(0.12)	(0.06)
	- Income tax relating to items that will not be reclassified to profit or loss		(2.74)	0.21	(3.74)	0.13	2.14
	(ii) Items that will be reclassified to profit or loss						
	- Gain / (Loss) arising on fair valuation of quoted investments in bonds		(0.57)	9.39	7.29	4.68	(4.13)
XI	Restated Total comprehensive income for the period/year (IX+X)		438.17	(410.39)	664.65	1,612.16	1,519.08
	Restated Profit/(loss) for the period/year attributable to:						
	- Owners of the Company		415.32	(394.29)	681.99	1,567.28	1,478.15
	- Non-controlling interests		15.42	(36.86)	(35.80)	38.47	49.16
			430.74	(431.15)	646.19	1,605.75	1,527.31
	Restated Other comprehensive income for the period/year attributable to:						
	- Owners of the Company		7.68	21.07	18.71	5.37	(8.05)
	- Non-controlling interests		(0.25)	(0.31)	(0.25)	1.04	(0.18)
			7.43	20.76	18.46	6.41	(8.23)
	Restated Total comprehensive income for the period/year attributable to:						
	- Owners of the Company		423.00	(373.22)	700.70	1,572.65	1,470.10
	- Non-controlling interests		15.17	(37.17)	(36.05)	39.51	48.98
			438.17	(410.39)	664.65	1,612.16	1,519.08
	Restated Earning per equity share (of ₹ 5 each)*:						
	Basic	32	1.62	(1.62)	2.43	6.05	5.75
	Diluted	32	1.62	(1.62)	2.43	6.05	5.75
	* EPS for all period/year is calculated post giving impact of Bonus issue during the year ended March 31, 2019 and split of shares during the year ended March 31, 2021.						
	See accompanying notes from 1 to 51 forming part of the Restated Consolidated Financial Information						

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

For and on behalf of the Board of Directors
Metro Brands Limited

Ketan Vora
Partner
(Membership No. 100459)

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Tarannum Bhanpurwala
Company Secretary
(Membership No. A42872)

Place: Mumbai
Date : November 10, 2021

Place: Mumbai
Date : November 10, 2021

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Restated Consolidated Financial Information
Restated Consolidated Statement of changes in equity
(Amount in Rupees Millions except for share data or as otherwise stated)

A. Equity share capital

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Changes in equity share capital during the period/ year					
Balance as at beginning of the period/year	1,327.67	1,327.67	1,327.67	1,327.67	147.27
Bonus Shares allotted during the period/year	-	-	-	-	1,180.02
Shares issued on exercise of employee stock options during the period/year	-	-	-	-	0.38
Balance as at the end of the period/year	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67

B. Other Equity

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income (net of taxes)	Attributable to the owners of the Company	Non Controlling Interest	Total
Restated Balance as at April 1,2018	57.47	2.90	867.01	1.69	4,390.23	0.90	5,320.20	146.18	5,466.38
Restated Profit/(loss) for the year	-	-	-	-	1,478.15	-	1,478.15	49.16	1,527.31
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.18	(8.23)	(8.05)	(0.18)	(8.23)
Restated Total comprehensive income for the year	-	-	-	-	1,478.33	(8.23)	1,470.10	48.98	1,519.08
Final Dividend	-	-	-	-	(51.60)	-	(51.60)	-	(51.60)
Dividend Distribution Tax on Final Dividend	-	-	-	-	(10.61)	-	(10.61)	-	(10.61)
Interim Dividend	-	-	-	-	(318.64)	-	(318.64)	-	(318.64)
Dividend distribution tax on Interim Dividend	-	-	-	-	(65.50)	-	(65.50)	-	(65.50)
Premium received on Issue of ESOP Shares	7.03	-	-	-	-	-	7.03	-	7.03
Employee's Stock Options Expenses	-	-	-	(0.68)	0.71	-	0.03	-	0.03
Transfer from ESOP outstanding account to share premium on exercise	0.72	-	-	(0.72)	-	-	-	-	-
Utilised in Issue of Bonus Shares	(57.47)	-	(867.01)	-	(255.54)	-	(1,180.02)	-	(1,180.02)
Restated Balance as at April 1,2019	7.75	2.90	-	0.29	5,167.38	(7.33)	5,170.99	195.16	5,366.15
Ind AS 116 transition adjustment (Refer PART B: Summary of restatement adjustments)	-	-	-	-	1.58	-	1.58	-	1.58
Restated Balance as at March 31,2019	7.75	2.90	-	0.29	5,168.96	(7.33)	5,172.57	195.16	5,367.73
Restated Profit/(loss) for the year	-	-	-	-	1,567.28	-	1,567.28	38.47	1,605.75
Restated Other comprehensive income (net of income tax)	-	-	-	-	-	6.41	5.37	1.04	6.41
Restated Total comprehensive income for the year	-	-	-	-	1,567.28	6.41	1,572.65	39.51	1,612.16
Restated Balance as at March 31, 2020	7.75	2.90	-	0.29	6,736.24	(0.92)	6,745.22	234.67	6,979.89
Restated Profit/(loss) for the year	-	-	-	-	681.99	-	681.99	(35.80)	646.19
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.25	18.46	18.71	(0.25)	18.46
Total comprehensive income for the year	-	-	-	-	682.24	18.46	700.70	(36.05)	664.65
Interim Dividend	-	-	-	-	(99.58)	-	(99.58)	-	(99.58)
Final Dividend	-	-	-	-	(398.30)	-	(398.30)	-	(398.30)
Transfer of ESOP outstanding reserve to General reserve	-	-	0.29	(0.29)	-	-	-	-	-
Restated Balance as at March 31, 2021	7.75	2.90	0.29	-	6,920.60	17.54	6,948.03	198.63	7,146.66

For the interim period reported

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income (net of taxes)	Attributable to the owners of the Company	Non Controlling Interest	Total
Restated Balance as at March 31, 2020	7.75	2.90	-	0.29	6,736.24	(0.92)	6,745.22	234.67	6,979.89
Restated Profit/(loss) for the period	-	-	-	-	(394.29)	-	(394.29)	(36.86)	(431.15)
Restated Other comprehensive income for the period(net of taxes)	-	-	-	-	0.31	20.76	21.07	(0.31)	20.76
Restated Total comprehensive income for the period	-	-	-	-	(393.98)	20.76	(373.22)	(37.17)	(410.39)
Interim Dividend	-	-	-	-	(362.52)	-	(362.52)	-	(362.52)
Dividend distribution tax	-	-	-	-	(35.78)	-	(35.78)	-	(35.78)
Restated Balance as at September 30,2020	7.75	2.90	-	0.29	5,943.96	19.84	5,973.70	197.50	6,171.20
Restated Balance as at March 31, 2021	7.75	2.90	0.29	-	6,920.60	17.54	6,948.03	198.63	7,146.66
Restated Profit/(loss) for the period	-	-	-	-	415.33	-	415.33	15.42	430.74
Restated Other comprehensive income for the period(net of taxes)	-	-	-	-	0.25	7.42	7.68	(0.25)	7.43
Restated Total comprehensive income for the period	-	-	-	-	415.58	7.42	423.00	15.17	438.17
Final dividend	-	-	-	0.41	-	-	0.41	-	0.41
Dividend distribution tax	-	-	-	-	(298.73)	-	(298.73)	-	(298.73)
Restated Balance as at September 30,2021	7.75	2.90	0.29	0.41	7,037.45	24.96	7,072.71	213.80	7,286.51

See accompanying notes from 1 to 51 forming part of the Restated Consolidated Financial Information
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

For and on behalf of the Board of Directors
Metro Brands Limited

Ketan Vora
Partner
(Membership No. 100459)

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Tarannum Bhanpurwala
Company Secretary
(Membership No. A42872)

Place: Mumbai
Date : November 10, 2021

Place: Mumbai
Date : November 10, 2021

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Restated Consolidated Financial Information
Restated Consolidated Statement of Cash Flows
(Amount in Rupees Millions except for share data or as otherwise stated)

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from Operating Activities					
Restated Profit/(Loss) before tax for the period/year	559.86	(440.31)	845.05	2,184.17	2,281.28
Adjustments for:					
Finance Cost	1.05	4.91	6.25	7.74	-
Depreciation and Amortisation expense	651.49	618.83	1,218.44	1,206.05	936.46
Interest Expense	234.71	214.92	430.30	387.75	338.52
Rent Concession on account of COVID - 19	(200.65)	(369.42)	(518.84)	-	-
Net unrealised exchange loss/(gain)	-	-	0.01	2.21	(2.94)
Loss on Sale / Discard of Property Plant & Equipment (net)	9.20	14.26	25.80	25.34	12.79
Dividend income from Current Investments in Mutual Funds	-	(5.20)	(5.20)	(46.23)	(42.30)
Net Gain arising on Investments designated as FVTPL	(85.29)	(110.77)	(183.21)	(128.80)	(102.21)
Interest Income	(38.76)	(26.67)	(53.08)	(39.73)	(31.68)
Allowance for doubtful Trade receivables, advances and deposits	-	-	7.69	-	0.65
Liabilities no longer required, written back	-	-	(8.83)	(26.55)	(3.82)
Advances and other balances written off	0.92	1.25	7.04	10.16	7.80
Net Gain on derecognition of financial liability at amortized cost	-	(1.10)	(1.09)	-	-
Employee's Stock Options Expenses	0.41	-	-	-	0.03
Operating profit before working capital changes	1,132.94	(99.30)	1,770.33	3,582.11	3,394.58
Movement in working capital:					
(Increase)/Decrease in Trade Receivable	(190.21)	0.11	197.04	(192.16)	(134.12)
(Increase)/Decrease in other financial assets	(55.87)	5.00	(35.12)	(93.67)	(74.69)
(Increase)/Decrease in other current assets	(203.22)	73.81	49.18	88.22	(101.04)
(Increase)/Decrease in Inventories	(488.81)	654.48	863.76	(115.16)	(852.06)
Decrease/(Increase) in other non-current assets	(2.40)	(0.40)	(10.31)	(10.55)	(2.04)
Increase/(Decrease) in trade and other payables	303.04	(328.31)	(30.52)	73.50	512.16
Increase/(Decrease) in Other current liabilities	10.94	(18.48)	56.71	(11.99)	4.81
Increase/(Decrease) in Other financial liabilities	0.46	21.27	(3.88)	17.22	11.81
Increase/(Decrease) in Provisions	13.32	11.88	(0.83)	1.59	0.63
	(612.75)	419.36	1,086.03	(243.00)	(634.54)
Cash generated from operations	520.19	320.06	2,856.36	3,339.11	2,760.04
Less: Income taxes paid	(257.09)	(0.98)	(203.58)	(608.27)	(803.49)
Net cash generated from operating activities	263.10	319.08	2,652.78	2,730.84	1,956.55
Cash flows from investing activities					
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(189.10)	(121.13)	(251.02)	(442.05)	(587.71)
Proceeds from Sale / Discard of Property, Plant & Equipment	3.94	13.18	3.54	2.10	3.82
Interest Received	23.27	10.56	18.77	12.20	11.20
Bank Balances (including Non Current) not considered as Cash and Cash equivalents	(154.54)	(150.22)	(671.70)	(1.20)	(2.92)
Purchase of Current Investments	(939.95)	(1,289.98)	(4,843.82)	(3,666.37)	(3,320.98)
Redemption of Current Investments	1,668.64	1,870.31	4,515.23	2,422.94	3,180.82
Dividend Income from Mutual Funds	-	5.20	5.20	46.23	42.30
Net cash flows from/(used in) investing activities	412.26	337.92	(1,223.80)	(1,626.15)	(673.47)
Cash flow from financing activities					
Proceeds from issue of ESOP shares (including Securities Premium)	-	-	-	-	7.41
Proceeds from borrowings	(4.79)	(25.48)	(101.18)	16.59	38.71
Payment of Lease Liabilities	(440.23)	(233.36)	(665.46)	(1,123.85)	(913.27)
Finance Cost	(1.05)	(4.91)	(6.25)	(7.74)	(6.14)
Final and Interim Dividends including Dividend Tax paid	(298.73)	(398.30)	(497.88)	-	(446.35)
Net cash (used in) financing activities	(744.80)	(662.05)	(1,270.77)	(1,115.00)	(1,319.64)
Net increase/(decrease) in cash and cash equivalents	(69.44)	(5.05)	158.21	(10.31)	(36.56)
Cash and cash equivalents at the beginning of the period/year [Refer Note 9a]	263.16	104.95	104.95	115.26	151.82
Cash and cash equivalents at the end of the period/year [Refer Note 9a]	193.72	99.90	263.16	104.95	115.26

See accompanying notes from 1 to 51 forming part of the Restated Consolidated Financial Information In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

For and on behalf of the Board of Directors
Metro Brands Limited

Ketan Vora
Partner
(Membership No. 100459)

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Tarannum Bhanpurwala
Company Secretary
(Membership No. A42872)

Place: Mumbai
Date : November 10, 2021

Place: Mumbai
Date : November 10, 2021

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Restated Consolidated Financial Information
Summary of restatement adjustments
(Amount in Rupees Millions except for share data or as otherwise stated)

PART A: Statement of restated adjustments to audited consolidated financial statements

Reconciliation between audited equity and restated equity

Particulars	Note No.	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Total Equity (incl. NCI) (As per audited consolidated financial statements)		8,614.18	7,498.87	7,146.68	6,979.89	5,736.87	5,770.56
Adjustments							
(i) Ind AS 116 - Leases (net of taxes)	(i)	-	-	-	-	(370.72)	(304.18)
(ii) Ind AS 116 - transition adjustment	PART B	-	-	-	-	1.58	-
Total impact of adjustments		-	-	-	-	(369.14)	(304.18)
Total Equity (incl. NCI) as per Restated Consolidated Statement of Assets and Liabilities		8,614.18	7,498.87	7,146.68	6,979.89	5,367.73	5,466.38

Reconciliation between audited profit and restated profit

Particulars	Note No.	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit/(loss) after tax (as per consolidated audited financial statement) for the period/year		438.17	(410.39)	664.65	1,612.16	1,585.62
Restatement adjustments						
(i) Impact of Ind AS 116	(i)					
Increase/(decrease) in total income						
Interest income on lease receivables		-	-	-	-	20.34
Deferred tax impact on above		-	-	-	-	(7.11)
Increase/(decrease) in total expense						
Amortisation of Right of use assets		-	-	-	-	710.46
Interest on lease liabilities		-	-	-	-	332.38
Other expenses- Rent		-	-	-	-	(919.79)
Deferred tax impact on above		-	-	-	-	(42.99)
Total impact of adjustments		-	-	-	-	(66.82)
Restated profit/(loss) after tax for the period/year		438.17	(410.39)	664.65	1,612.16	1,518.80

Notes to adjustments

- (i) Ind AS 116 - Leases has been notified and effective for financial statements from 01 April 2019 which prescribes the accounting of the lease contracts entered in the capacity of the lessee and a lessor. The Group has applied Ind AS 116 for preparing the Ind AS audited financial statements for the period beginning from 01 April 2019. For the purpose of preparing Restated Consolidated Financial Information, Ind AS 116 has been applied retrospectively with effect from 01 April 2018. Effective 01 April 2018, the Group has recognised lease liability measured at an amount equal to present value of remaining lease payments and corresponding Right of Use asset at an amount equivalent to lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before 01 April 2018.

PART B: Reconciliation of total equity as per audited financial statements with total equity as per Restated Consolidated Financial Information as at September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019

The Group has followed the same accounting policy choices (transition options as per Ind AS 116) as adopted on 01 April 2019 for transition to Ind AS 116, while preparing the Restated Consolidated Financial Information for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 as well as for the period ended September 30, 2021 and September 30, 2020. As specified in the Guidance Note, the balance under Other Equity balance computed under Restated Consolidated Financial Information for the years ended March 31, 2019 and balance under Other Equity computed on transition (using modified retrospective approach) to Ind AS 116 on 01 April 2019, differs due to restatement adjustments made for each of the year ended March 31, 2019 and March 31, 2018. Accordingly, the closing balance under Other Equity as at March 31, 2019 in the restated Consolidated financial information has not been carried forward to opening Balance sheet as at 01 April 2019. The reconciliation of the same is as follows :

Particulars	Amount
Other equity	
Retained earnings	
Balance as at 01 April 2019 as per audited financial statements for year ended March 31, 2020	5,172.57
Add: adjustment on account of transition to Ind AS 116	(1.58)
Restated balance as at March 31, 2019	5,170.99

Part C: Material re-grouping

Appropriate re-groupings have been made in the Restated Consolidated Financial Information, wherever required, by regrouping/reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the grouping and classification as per the special purpose interim Ind AS consolidated financial statements of the Company as at and for the six month period ended September 30, 2021, as applicable, to conform the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

Note 1.a - Corporate Information

Metro Brands Limited [‘the Company’] and its subsidiary company (together referred to as 'the Group') and the Joint Venture (JV) are engaged in trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products.

The addresses of the Company’s registered office and principal place of business are given below.
401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070.

The Restated Consolidated Financial Information for the period ended September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019 were approved by the Board of Directors and authorised for issue on November 10, 2021.

Note 1.b - Significant Accounting Policies

Basis of preparation and presentation of financial information

The Restated Consolidated Financial Information of the Group and the joint venture comprise of the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the six month periods ended September 30, 2021 and September 30, 2020 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Summary of Significant Accounting Policies and explanatory notes (collectively referred as “Restated Consolidated Financial Information”).

The Company has voluntarily opted to additionally disclose the comparative figures for the six month period ended September 30, 2020 in relation to statement of profit and loss, statement of cash flows and statement of changes in equity and as at September 30, 2020 in relation to statement of assets and liabilities.

The Restated Consolidated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Red Herring Prospectus (‘RHP’) and Prospectus (collectively, the “Offer Documents”) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”) of Equity Shares in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

These Restated Consolidated Financial Information have been compiled by the Management from:

- i. the audited special purpose interim consolidated Ind AS Financial Statements of the Group and the joint venture as at and for the periods ended September 30, 2021 and September 30, 2020 prepared in accordance with recognition and measurement principles of the Indian Accounting Standards (Ind AS) 34 “Interim Financial Reporting” as issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, which have been approved by the Board of Directors of the Company at their meeting held on November 10, 2021.
- ii. the audited consolidated Ind AS Financial Statements of the Group and the joint venture as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors of the Company at their meeting held on June 25, 2021, July 30, 2020 and July 8, 2019.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

The Restated Consolidated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassification retrospectively, in the six month period ended and September 30, 2020 and in the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, to reflect the same accounting treatment as per the accounting policy and grouping/classification followed as at and for the six month period ended September 30, 2021.
- b) do not require any adjustment for modification as there is no modification in the underlying audit reports on the financial statements mentioned above.

The audit report dated November 10, 2021 on the special purpose consolidated financial statements as at and for the six month period ended September 30, 2020 includes following other matter paragraph –

Due to restrictions imposed in the COVID-19 related lockdown, some inventory locations of the Company were closed on the date of the financial statements ended September 30, 2020 and management was unable to conduct physical verification of inventory as at September 30, 2020. Consequently, we were unable to observe the verification or perform test counts on inventory as at September 30, 2020. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 “Audit Evidence – Specific Considerations for Selected Items”, which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the period and count conducted by an external expert, where applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these financial statements. Our report is not modified in respect of this matter.

The audit report dated July 30, 2020 on the consolidated financial statements as at and for the year ended March 31, 2020 includes following other matter paragraph –

“Due to restrictions imposed in the COVID 19 related lockdown, some inventory locations of the Company were closed till date of audit report. The management maintains inventory in its warehouse and showrooms and has an inventory physical verification program for performing physical count of inventory during the period/year - which was followed. However, due to the above mentioned restrictions, the management was unable to conduct physical verification of inventory as on the date of financial statements and consequently, we were unable to observe the verification or perform test counts on inventory as at period/year end. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 “Audit Evidence — Specific Considerations for Selected Items”, which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the period/year and count conducted by an external expert, were applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these Financial Statements. Our report is not modified in respect of this matter.”

The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited financial information mentioned above.

The Restated Consolidated Financial Information have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services.

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

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

Fair value for measurement and/or disclosure purposes in the Restated Consolidated Financial Information 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.

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Notes forming part of the Restated Consolidated Financial Information

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.

The Restated Consolidated Financial Information is presented in Indian Rupees (INR) which is also the Group's functional currency. All amounts are rounded to the nearest Millions except when otherwise indicated.

Basis of consolidation:

Subsidiary:

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

Joint Venture:

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

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

B) Principles of consolidation:

The Consolidated Restated Financial information relate to the Group and its Joint Venture. The Consolidated Restated Financial information have been prepared on the following basis:

- i. The Financial Information of the subsidiary company and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e. September 30, 2021.
- ii. The Financial Information of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses (net of deferred tax), unless cost cannot be recovered.
- iii. The excess of cost to the Group of its investment in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made are made/acquired, is recognised in the financial statement as 'Goodwill' being an asset in the Restated Consolidated Financial Information. Similarly, where the share of equity in the subsidiary company as on the dates of investment/acquisition is in excess of cost of the investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the Restated Consolidated Financial Information.

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Notes forming part of the Restated Consolidated Financial Information

C) Going Concern:

The financial information of the Group have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the special purpose consolidated interim 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.

D) Revenue Recognition:

I) Sale of goods:

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

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

The Group operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Group's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. The Group recognises the consideration allocated to loyalty points, when the loyalty points are redeemed.

II) Interest and Dividend Income:

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

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

E) Property, plant and equipment and intangible assets:

Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. Any expected loss is recognised immediately in the Restated 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 Restated Consolidated Statement of Profit and Loss.

On transition to Ind AS the Group had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Based on this item of Property, Plant and Equipment existing as on the date of transition to Ind AS are carried deemed cost. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset:

- Leasehold improvements are amortised on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

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Notes forming part of the Restated Consolidated Financial Information

Intangible Assets:

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

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

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years
- Commercial Rights - 10 years

Capital work in progress:

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

Intangible Assets under development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

F) Impairment of assets:

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

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

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

G) Inventories:

Holding Company:

With effect from July 1, 2018, the Company had changed the basis of measurement of cost from 'Retail Method' to 'moving weighted average cost method' as a more precise basis of measuring cost of inventory. Accordingly, as per the requirements of paragraph 22 of Ind AS 8 on "Accounting policies, Changes in Accounting Estimates and errors", the Company required to give retrospective effect and adjust the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied.

The Company determined that it was impracticable to determine the effect of retrospective application to any periods prior to April 1, 2018, since the information required to measure cost of inventory on the basis of moving weighted average cost method was not maintained in the erstwhile accounting application software used in the prior periods and

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Notes forming part of the Restated Consolidated Financial Information

the required information could not be accurately collected making every reasonable effort. Accordingly, The Company had applied the change in the accounting policy for the year ending March 31, 2019.

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.

Subsidiary:

Inventories are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The inventory has been valued as per the First in First out method.

Joint Venture:

- 1) Raw materials
These are valued at cost. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of raw material is determined on first in first out basis (FIFO).
- 2) Stock-in trade
These are valued at lower of cost and net realisable value. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of stock-in trade is determined on first in first out basis (FIFO).
- 3) Manufactured finished goods
These are valued at lower of cost and net realisable value. Cost includes cost of raw material, cost of conversion such as overheads and other costs incurred in bringing such inventories to its present location and condition based on actual level of production. Costs of manufactured finished goods determined on first in first out basis (FIFO).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

Devaluation on inventories is considered on the basis of management's best estimate of demand and expected turnover of the inventories.

H) Taxation:

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

Current Tax

Current tax is the tax payable on the taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the Restated Consolidated 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 Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with the Income Tax Act, 1961.

Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and Deferred tax for the period/year:

Current and deferred tax recognised in the profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively.

I) Employee Benefits:

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

Short-term employee benefits:

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

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 upto 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 Restated 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/year 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.

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Notes forming part of the Restated Consolidated Financial Information

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. They are included in 'Other Comprehensive Income' (net of taxes) in the statement of changes in equity and in the balance sheet.

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.

J) Foreign Currencies:

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

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

iii) Exchange Differences

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

K) Employees Stock Option Plan (ESOP):

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

L) Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

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

Provision for warranty:

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

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Notes forming part of the Restated Consolidated Financial Information

(ii) Contingent Liabilities

Contingent liabilities are disclosed when there is:

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

M) Financial Instruments:

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

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual fund investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net changed in fair value recognised in the Restated Consolidated statement of profit and loss.

(ii) Impairment of Financial Assets:

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

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

(iii) Derecognition of Financial Assets:

A financial asset is derecognised only when:

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

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

Financial liabilities:

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

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

N) Leases:

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

For the purpose of preparing Restated Consolidated Financial Information, Ind AS 116 has been applied retrospectively with effect from 01 April 2018.

The Group's lease asset classes primarily consist of leases for Showroom Premise. The Group assesses whether a contract is or contains a lease, at 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.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

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

Practical expedient for rent concession due to COVID-19

The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 and 18th June 2021, on IND- AS 116 for rent concessions which are granted due to COVID-19 pandemic included as a part of notes. Accordingly charge in lease payments resulting from rent concessions would be recognised under “Other Income”.

According to the notification, total rent concessions confirmed in the period/year ended 30th September 2021 of Rs. 200.65 Millions, 30th September 2020 of Rs. 369.42 Millions and 31st March 2021 of Rs. 518.84 Millions has been accounted under “Other Income”.

O) Earnings per Share:

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

P) Cash flow statement:

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

Q) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

R) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Group is presented (Refer Note 29).

Note 1.c - Critical Accounting Estimates and Judgements

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

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

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

- Estimation of Revenue arising from Loyalty points [Refer Note 1.b(C)(I)]
- Estimation of useful life of Property, Plant and Equipment [Refer Note 1.b(D)]
- Estimation of Defined Benefit Obligation [Refer Note 1.b(H)(II)]
- Fair value measurements and valuation process. 1.b(L)(I)]

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes forming part of the Restated Consolidated Financial Information

- Impairment of Financial Assets [Refer Note 1.b(L)(II)]

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has evaluated the likely impact of the COVID-19 on the overall business of the Group on account of outbreak of the second wave of COVID-19. The Group as at the date of the approval of these Restated Consolidated Financial Information, has done an assessment to analyse the carrying amount of its financial assets and exposures. Based on the assessment the Group has concluded that no material adjustments are required in the carrying value of the financial assets.

The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Group's Restated Consolidated Financial Information, which may differ from that considered as at the date of approval of the Restated Consolidated Financial Information. The Group will continue to closely monitor any material changes to future economic conditions. The Group has resumed its business activities by reopening its retail stores on a gradual basis in line with the guidelines issued by the respective State Government authorities.

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(Amount in Rupees Millions except for share data or as otherwise stated)

2a. Property, Plant and Equipment:

Particulars	Buildings	Leasehold Improvements (Showrooms and Office) (Refer Note)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at April 01, 2018	891.24	1,045.68	255.11	220.45	55.60	83.12	2,551.20
Additions	220.99	229.46	63.36	48.86	-	15.49	578.16
Disposals	-	(53.48)	(5.26)	(9.10)	(11.34)	(2.17)	(81.35)
Balance as at March 31, 2019	1,112.23	1,221.66	313.21	260.21	44.26	96.44	3,048.01
Additions	-	210.75	70.09	60.78	-	22.29	363.91
Disposals	-	(112.03)	(18.50)	(14.78)	-	(6.42)	(151.73)
Balance as at March 31, 2020	1,112.23	1,320.38	364.80	306.21	44.26	112.31	3,260.19
Additions	-	170.42	81.77	38.45	2.94	8.87	302.45
Disposals	-	(73.54)	(11.41)	(11.01)	-	(1.04)	(97.00)
Balance as at March 31, 2021	1,112.23	1,417.26	435.16	333.65	47.20	120.14	3,465.64
For the interim period reported							
Balance as at March 31, 2020	1,112.23	1,320.38	364.80	306.21	44.26	112.31	3,260.19
Additions	-	85.17	54.05	21.37	-	2.62	163.21
Disposals	-	(29.60)	(4.23)	(5.45)	-	(0.23)	(39.51)
Balance as at September 30, 2020	1,112.23	1,375.95	414.62	322.13	44.26	114.70	3,383.89
Balance as at March 31, 2021	1,112.23	1,417.26	435.16	333.65	47.20	120.14	3,465.64
Additions	-	79.78	26.63	11.95	4.98	13.32	136.66
Disposals	-	(90.03)	(11.55)	(11.69)	(5.50)	(4.69)	(123.46)
Balance as at September 30, 2021	1,112.23	1,407.01	450.24	333.91	46.68	128.77	3,478.84
II. Accumulated depreciation							
Balance as at April 01, 2018	51.35	437.27	89.70	79.66	16.24	47.45	721.67
Depreciation expense for the year	22.09	115.80	29.67	26.04	5.39	13.96	212.95
Eliminated on disposal of assets/write off	-	(43.29)	(4.22)	(6.42)	(8.79)	(2.02)	(64.74)
Balance as at March 31, 2019	73.44	509.78	115.15	99.28	12.84	59.39	869.88
Depreciation expense for the year (Refer Note 31)	23.81	195.61	34.43	32.57	5.09	17.15	308.66
Eliminated on disposal of assets/write off	-	(93.28)	(13.95)	(11.02)	-	(6.03)	(124.28)
Balance as at March 31, 2020	97.25	612.11	135.63	120.83	17.93	70.51	1,054.26
Depreciation expense for the year (Refer Note 31)	23.81	156.47	40.60	35.93	5.19	16.86	278.86
Eliminated on disposal of assets/write off	-	(51.07)	(7.60)	(8.04)	-	(0.95)	(67.66)
Balance as at March 31, 2021	121.06	717.51	168.63	148.72	23.12	86.42	1,265.46
For the Interim period reported							
Balance as at March 31, 2020	97.25	612.11	135.63	120.83	17.93	70.51	1,054.26
Depreciation expense for the period (Refer Note 31)	14.39	79.36	19.42	17.93	2.55	8.58	142.23
Eliminated on disposal of assets/write off	-	(17.11)	(3.05)	(4.08)	-	(0.22)	(24.46)
Balance as at September 30, 2020	111.64	674.36	152.00	134.68	20.48	78.87	1,172.03
Balance as at March 31, 2021	121.06	717.51	168.63	148.72	23.12	86.42	1,265.46
Depreciation expense for the period (Refer Note 31)	11.94	77.22	21.12	17.85	2.77	8.78	139.68
Eliminated on disposal of assets/write off	-	(82.03)	(9.36)	(10.04)	(4.42)	(4.48)	(110.33)
Balance as at September 30, 2021	133.00	712.70	180.39	156.53	21.47	90.72	1,294.81
Net carrying amount (I-II)							
Balance as at September 30, 2021	979.23	694.31	269.85	177.38	25.21	38.05	2,184.03
Balance as at September 30, 2020	1,000.59	701.59	262.62	187.45	23.78	35.83	2,211.88
Balance as at March 31, 2021	991.17	699.75	266.53	184.93	24.08	33.72	2,200.18
Balance as at March 31, 2020	1,014.98	708.27	229.17	185.38	26.33	41.80	2,205.93
Balance as at March 31, 2019	1,038.79	711.88	198.06	160.93	31.42	37.05	2,178.13

Note:

For the year ended March 31, 2020 and March 31, 2019 the above includes furniture, fixtures and other items capitalised prior to year 2009, which are part of the initial capital outlay and cannot be separately identified.

2b. Right of Use Assets

Particulars	Right of Use Assets	Total
I. Cost		
Balance as at April 1, 2018	3,041.78	3,041.78
Additions	1,409.05	1,409.05
Deletion	(38.01)	(38.01)
Balance as at March 31, 2019	4,412.82	4,412.82
Ind AS 116 transition adjustments (refer PART B- Summary of restatement adjustments)	63.52	63.52
Balance as at April 01, 2019	4,476.34	4,476.34
Additions	2,049.66	2,049.66
Deletion	(108.44)	(108.44)
Balance as at March 31, 2020	6,417.56	6,417.56
Additions	1,311.70	1,311.70
Deletion	(215.26)	(215.26)
Balance as at March 31, 2021	7,514.00	7,514.00

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Notes accompanying the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)
2b. Right of Use Assets (Contd.)
For the interim period reported

Particulars	Right of Use Assets	Total
Balance as at March 31, 2020	6,417.56	6,417.56
Additions	226.57	226.57
Deletion	(68.06)	(68.06)
Impairment	(13.74)	(13.74)
Balance as at September 30, 2020	6,562.33	6,562.33
Balance as at March 31, 2021	7,514.00	7,514.00
Additions	821.45	821.45
Deletion	(49.52)	(49.52)
Balance as at September 30, 2021	8,285.93	8,285.93
II. Accumulated amortisation		
Balance as at April 1, 2018		
Amortisation expense for the year	(710.46)	(710.46)
Balance as at March 31, 2019	(710.46)	(710.46)
Amortisation expense for the year	(882.15)	(882.15)
Balance as at March 31, 2020	(1,592.61)	(1,592.61)
Amortisation expense for the year	(925.37)	(925.37)
Balance as at March 31, 2021	(2,517.98)	(2,517.98)
For the interim period reported		
Balance as at March 31, 2020	(1,592.61)	(1,592.61)
Amortisation expense for the period	(469.48)	(469.48)
Impairment	3.45	3.45
Balance as at September 30, 2020	(2,058.64)	(2,058.64)
Balance as at March 31, 2021	(2,517.98)	(2,517.98)
Amortisation expense for the period	(504.61)	(504.61)
Balance as at September 30, 2021	(3,022.59)	(3,022.59)
Net carrying amount (I-II)		
Balance as at September 30, 2021	5,263.34	5,263.34
Balance as at September 30, 2020	4,503.68	4,503.68
Balance as at March 31, 2021	4,996.02	4,996.02
Balance as at March 31, 2020	4,824.95	4,824.95
Balance as at March 31, 2019	3,702.36	3,702.36

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

Particulars	Copyrights	Commercial Rights	Trademarks	Computer Software	Total
I. Cost					
Balance as at April 01, 2018	2.60	4.10	13.19	39.01	58.90
Additions	-	-	10.00	36.12	46.12
Balance as at March 31, 2019	2.60	4.10	23.19	75.13	105.02
Additions	-	-	-	15.17	15.17
Disposals	-	-	-	(0.02)	(0.02)
Balance as at March 31, 2020	2.60	4.10	23.19	90.28	120.17
Additions	-	-	-	4.31	4.31
Balance as at March 31, 2021	2.60	4.10	23.19	94.59	124.48
For the interim period reported					
Balance as at March 31, 2020	2.60	4.10	23.19	90.28	120.17
Additions	-	-	-	1.68	1.68
Disposals	-	-	-	-	-
Balance as at September 30, 2020	2.60	4.10	23.19	91.96	121.85
Balance as at March 31, 2021	2.60	4.10	23.19	94.59	124.48
Additions	-	-	-	1.47	1.47
Disposals	-	-	-	-	-
Balance as at September 30, 2021	2.60	4.10	23.19	96.06	125.95
II. Accumulated amortisation					
Balance as at April 01, 2018	2.60	3.69	12.93	23.14	42.36
Amortization expense for the year	-	0.41	0.94	11.70	13.05
Balance as at March 31, 2019	2.60	4.10	13.87	34.84	55.41
Amortization expense for the year	-	-	1.04	14.20	15.24
Eliminated on disposal of assets / write off	-	-	-	(0.02)	(0.02)
Balance as at March 31, 2020	2.60	4.10	14.91	49.02	70.63
Amortization expense for the year	-	-	1.04	13.17	14.21
Balance as at March 31, 2021	2.60	4.10	15.95	62.19	84.84
For the interim period reported					
Balance as at March 31, 2020	2.60	4.10	14.91	49.02	70.63
Amortization expense for the period	-	-	0.52	6.59	7.11
Eliminated on disposal of assets / write off	-	-	-	-	-
Balance as at September 30, 2020	2.60	4.10	15.43	55.61	77.74
Balance as at March 31, 2021	2.60	4.10	15.95	62.19	84.84
Amortization expense for the period	-	-	0.52	6.67	7.19
Eliminated on disposal of assets / write off	-	-	-	-	-
Balance as at September 30, 2021	2.60	4.10	16.47	68.86	92.03
Net carrying amount (I-II)					
Balance as at September 30, 2021	-	-	6.72	27.20	33.92
Balance as at September 30, 2020	-	-	7.76	36.35	44.10
Balance as at March 31, 2021	-	-	7.24	32.40	39.64
Balance as at March 31, 2020	-	-	8.28	41.26	49.54
Balance as at March 31, 2019	-	-	9.32	40.29	49.61

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Notes accompanying the Restated Consolidated Financial Information
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2d. Capital Work in Progress:

₹ in Millions

As at September 30, 2021	103.73
As at September 30, 2020	20.50
As at March 31, 2021	129.04
As at March 31, 2020	30.35
As at March 31, 2019	-

Capital Work in Progress Ageing Schedule

As at September 30, 2021

₹ in Millions

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	101.44	2.28	-	-	103.72
Projects temporarily suspended	-	-	-	-	-

Extract of above Capital Work in Progress which is overdue for completion

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
GVM - Sikkim (Mochi)	1.56	-	-	-	1.56
BBC - Cuttack (Metro)	0.02	-	-	-	0.02
BFM - Bengaluru (Mochi)	0.02	-	-	-	0.02
BLQ - Bengaluru (Crocs)	4.45	-	-	-	4.45
BNL - Punjab (Walkway)	3.02	-	-	-	3.02
LUP - Ludhiana (Metro)	2.69	-	-	-	2.69
NCM - Noida (Mochi)	0.02	-	-	-	0.02
Total	11.78	-	-	-	11.78

As at September 30, 2020

₹ in Millions

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	19.46	1.04	-	-	20.50
Projects temporarily suspended	-	-	-	-	-

Extract of above Capital Work in Progress which is overdue for completion

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Head office - Civil work	1.27	-	-	-	1.27
Footfall device for stores	1.05	-	-	-	1.05
Total	2.32	-	-	-	2.32

As at March 31, 2021

₹ in Millions

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	39.74	2.31	-	-	42.05
Projects temporarily suspended	0.01	0.09	-	-	0.10

Extract of above Capital Work in Progress which is overdue for completion

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
BBC - Cuttack (Metro)	0.02	-	-	-	0.02
BFM - Bengaluru (Mochi)	0.13	-	-	-	0.13
CBQ - Chennai (Crocs)	2.24	-	-	-	2.24
CHQ - Chandigarh (Crocs)	0.00	-	-	-	0.00
DDR - Mumbai (Metro)	0.08	-	-	-	0.08
HTQ - Hyderabad (Crocs)	2.64	-	-	-	2.64
JBL - Jabalpur (Metro)	3.39	-	-	-	3.39
JMN - Jamnagar (Metro)	3.31	-	-	-	3.31
MBM - Maharashtra (Metro)	0.08	-	-	-	0.08
MLQ - Kerala (Crocs)	0.05	-	-	-	0.05
MUS - Madurai (Metro)	4.20	-	-	-	4.20
NCM - Noida (Mochi)	0.12	-	-	-	0.12
NCQ - Uttar Pradesh (Crocs)	0.05	-	-	-	0.05
RIP - Raipur (Metro)	0.02	-	-	-	0.02
RHM - Jharkhand (Mochi)	0.10	-	-	-	0.10
TLU - Kerala (Metro)	0.01	-	-	-	0.01
TOTAL	16.44	-	-	-	16.44

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2d. Capital Work in Progress (Contd):

Suspended Sites

Capital Work in Progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MLP - Kerela (Metro)*	0.10	-	-	-	0.10
TOTAL	0.10	-	-	-	0.10

* The suspended site was cancelled and was subsequently written off in next reporting period.

As at March 31, 2020

₹ in Millions

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	127.18	1.86	-	-	129.04
Projects temporarily suspended	-	-	-	-	-

Extract of above Capital Work in Progress which is overdue for completion

Capital work in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
BHN - Maharashtra (Warehouse)	57.78	-	-	-	57.78
BIN - Bengaluru (Metro)	0.98	-	-	-	0.98
DZM - Ghaziabad (Mochi)	3.78	-	-	-	3.78
TOTAL	62.54	-	-	-	62.54

As at March 31, 2019

₹ in Millions

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	30.33	0.02	0.00	-	30.35
Projects temporarily suspended	-	-	-	-	-

Extract of above Capital work in progress which is overdue for completion

Capital work in progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
LCM-Crown mall - Lucknow (Metro)	0.14	-	-	-	0.14
GGV - Jaipur (Walkway)	0.01	-	-	-	0.01
TOTAL	0.15	-	-	-	0.15

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

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes accompanying the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

2.e Intangible Assets Under Development

₹ in Millions

As at September 30, 2021	3.60
As at September 30, 2020	-
As at March 31, 2021	3.29
As at March 31, 2020	1.30
As at March 31, 2019	10.31

Note: 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 Intangible assets completion schedule is not applicable.

Intangible Assets Under Development ageing schedule

As at September 30, 2021

₹ in Millions

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.60	-	-	-	3.60
Projects temporarily suspended	-	-	-	-	-

As at September 30, 2020

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

As at March 31, 2021

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.29	-	-	-	3.29
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2020

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.30	-	-	-	1.30
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2019

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10.31	-	-	-	10.31
Projects temporarily suspended	-	-	-	-	-

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
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(Amount in Rupees Millions except for share data or as otherwise stated)

3. Investments

Particulars	As at September 30, 2021			As at September 30, 2020			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Quantity	Amounts		Quantity	Amounts		Quantity	Amounts		Quantity	Amounts		Quantity	Amounts	
		Current	Non-Current		Current	Non-Current		Current	Non-Current		Current	Non-Current		Current	Non-Current
A. Investments carried at cost															
<i>Unquoted Investments - at cost (Fully paid up)</i>															
<i>Investment in Equity instrument of Joint Venture (carrying amount determined using the equity method of accounting)</i>															
Equity shares of ₹ 10/- each in M.V. Shoe Care Pvt. Ltd.	6,860,000.00	-	52.05	6,860,000.00	-	52.05	6,860,000.00	-	52.05	6,860,000.00	-	52.05	6,860,000.00	-	52.05
Add : Share in accumulated Profits/Reserves	-	-	20.55	-	-	9.89	-	-	20.95	-	-	26.87	-	-	18.80
Balance as on March 31, 2019	6,860,000.00	-	72.60	6,860,000.00	-	61.94	6,860,000.00	-	73.00	6,860,000.00	-	78.92	6,860,000.00	-	70.85
Add: Impact of Ind AS 116 - transition adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.30)
Restated Investment as on April 1, 2019	6,860,000.00	-	72.60	6,860,000.00	-	61.94	6,860,000.00	-	73.00	6,860,000.00	-	78.92	6,860,000.00	-	70.55
B. Investments carried at FVOCI															
Investments in Bonds															
<i>Quoted Investments</i>															
7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50.00	57.58	-	50.00	58.45	-	50.00	57.54	-	50.00	54.74	-	50.00	52.80	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	17.25	-	14,285.00	17.51	-	14,285.00	17.26	-	14,285.00	16.02	-	14,285.00	15.32	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	61.19	-	50.00	62.74	-	50.00	61.80	-	50.00	58.54	-	50.00	56.50	-
C. Investments carried at FVTPL															
Investments in Mutual Funds and Bonds															
<i>Unquoted Investments</i>															
Investments in Mutual Funds															
Face Value of ₹ 10.00 each															
NIPPON India Income Fund - Direct Growth Plan - Growth Option (Formerly Reliance Income Fund - Direct Growth Plan - Growth Option)	1,037,288.79	81.06	-	1,756,138.73	130.25	-	1,756,138.73	132.52	-	2,169,246.36	153.79	-	2,169,246.36	135.56	-
HDFC Gilt Fund - Direct Plan - Growth Option	-	-	-	-	-	-	3,078,537.21	137.82	-	3,078,537.21	129.34	-	3,078,537.21	117.37	-
EDELWEISS Arbitrage fund - Direct Plan-Dividend - Payout	-	-	-	-	-	-	-	-	-	23,564,173.40	254.70	-	23,564,173.40	251.19	-
ICICI Prudential Equity Arbitrage Fund - Direct plan - Dividend	-	-	-	-	-	-	-	-	-	17,797,540.50	259.31	-	17,797,540.50	257.91	-
Franklin India Ultra Short Bond Fund Super Institutional - Plan Direct	-	-	-	-	-	-	-	-	-	15,857,659.90	438.52	-	10,868,999.00	286.77	-
Franklin India Liquid Fund-Super Institutional Plan - Direct	-	-	-	-	-	-	-	-	-	22,378.19	66.76	-	47,335.39	132.47	-
Franklin India Short Term Income Plan Retail - Direct Plan - Growth	-	-	-	-	-	-	-	-	-	-	-	-	50,615.67	212.37	-
Kotak Equity Arbitrage Fund-Direct Plan -Fortnight Dividend	-	-	-	-	-	-	-	-	-	10,624,578.23	250.33	-	10,624,578.23	250.09	-
Nippon Arbitrage Fund- Direct Plan Dividend Plan Dividend Payout (Formerly Reliance Arbitrage Fund- Direct Plan Dividend Payout)	-	-	-	3,078,537.21	135.62	-	-	-	-	8,545,813.33	112.56	-	8,545,813.33	110.17	-
Kotak Banking and PSU Debt Fund direct Growth	-	-	-	-	-	-	4,931,736.46	254.10	-	4,931,736.46	234.98	-	-	-	-
Franklin India Savings Fund Retail Option - Direct	-	-	-	4,931,736.46	247.44	-	-	-	-	2,854,190.40	108.21	-	-	-	-
ICICI Prudential Ultra Short Term Fund Direct Plan Growth	13,350,590.83	312.64	-	-	-	-	13,350,590.83	305.43	-	14,248,446.54	305.96	-	-	-	-
Aditya Birla Sunlife Money Manager Fund - Growth - Direct Plan	-	-	-	-	-	-	-	-	-	993,156.61	269.07	-	-	-	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	54.62	-	25,427.47	52.02	-	25,427.47	53.34	-	-	-	-	-	-	-
AXIS Arbitrage Fund - Direct Growth	10,020,092.66	158.32	-	10,020,092.66	151.71	-	10,020,092.66	154.74	-	-	-	-	-	-	-
EDELWEISS Arbitrage fund - Direct Plan-Dividend - Payout	-	-	-	16,845,074.98	259.96	-	-	-	-	-	-	-	-	-	-
Edelweiss Arbitrage Fund - Direct Plan Growth	14,957,848.23	241.15	-	-	-	-	16,845,074.98	265.26	-	-	-	-	-	-	-
ICICI Prudential Equity Arbitrage Fund - Direct plan - Dividend	-	-	-	9,532,102.62	262.24	-	-	-	-	-	-	-	-	-	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan Growth	8,472,841.06	243.31	-	-	-	-	9,532,102.62	267.40	-	-	-	-	-	-	-
Kotak Equity Arbitrage Fund-Direct Plan -Fortnight Dividend	-	-	-	8,506,443.00	252.27	-	-	-	-	-	-	-	-	-	-
KOTAK Equity Arbitrage Fund- Direct Plan Growth	7,525,027.55	233.25	-	-	-	-	8,506,443.00	257.58	-	-	-	-	-	-	-
L&T Arbitrage Opportunities Direct Plan - Growth	8,628,040.43	137.58	-	8,628,040.43	131.72	-	8,628,040.43	134.46	-	-	-	-	-	-	-
HDFC Ultra Short Term Fund - Direct Growth	23,248,473.47	283.13	-	21,460,988.43	250.79	-	27,404,265.81	327.19	-	-	-	-	-	-	-

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)

Notes accompanying the Restated Consolidated Financial Information

(Amount in Rupees Millions except for share data or as otherwise stated)

3. Investments

Particulars	As at September 30, 2021			As at September 30, 2020			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Quantity	Amounts		Quantity	Amounts		Quantity	Amounts		Quantity	Amounts		Quantity	Amounts	
		Current	Non-Current		Current	Non-Current		Current	Non-Current		Current	Non-Current		Current	Non-Current
Face Value of ₹ 100.00 each															
Aditya Birla Sunlife Income Plus - Growth - Direct Plan	1,590,562.15	171.09	-	1,590,562.15	159.37	-	1,590,562.15	164.35	-	1,590,562.15	151.03	-	1,590,562.15	135.04	-
Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	330,108.76	244.88	-	-	-	-	283,731.80	121.11	-	125,232.37	50.20	-	-	-	-
Aditya Birla Sun Life Banking and PSU Debt Fund - Growth - Direct Plan	863,506.52	258.14	-	-	-	-	863,506.52	250.18	-	187,991.83	50.19	-	-	-	-
ICICI Prudential Savings Fund - Direct Plan	-	-	-	-	-	-	485,296.47	203.67	-	-	-	-	-	-	-
ICICI Prudential Liquid Fund - Direct - Growth	-	-	-	669,512.67	200.80	-	-	-	-	-	-	-	-	-	-
Face Value of ₹ 1,000.00 each															
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	-	-	-	-	-	-	-	-	440,082.46	140.63	-	47,039.31	14.13	-
Kotak Money Market Fund - Direct Plan - Growth	-	-	-	37,509.70	128.12	-	37,509.70	130.68	-	37,509.70	124.27	-	-	-	-
Axis Liquid Fund-Direct Growth	-	-	-	4,446.96	10.00	-	4,589.23	10.49	-	32,349.95	71.31	-	-	-	-
HDFC Money Market Fund - Direct Plan	51,030.84	232.86	-	51,030.84	223.83	-	51,030.84	228.31	-	-	-	-	-	-	-
Invesco India Liquid Fund - Direct Plan Growth	-	-	-	-	-	-	25,337.38	71.61	-	-	-	-	-	-	-
TRUSTMF Banking and PSU Debt Fund - Direct Plan	99,995.00	103.75	-	-	-	-	99,995.00	100.17	-	-	-	-	-	-	-
TRUSTMF Liquid Fund Direct Plan - Growth	160,172.93	162.47	-	-	-	-	-	-	-	-	-	-	-	-	-
Quoted Investments															
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000.00	118.58	-	100,000.00	110.11	-	100,000.00	113.12	-	100,000.00	104.14	-	-	-	-
Bharat Bond ETF - April 2025 OF ₹ 1000 each	99,995.00	106.87	-	99,995.00	99.49	-	99,995.00	103.59	-	-	-	-	-	-	-
Total (Aggregate amount of unquoted investments)		2,918.25	72.60		2,596.14	61.94		3,570.39	73.00		3,171.16	78.92		1,903.08	70.55
Total (Aggregate amount of market value of quoted investments)		361.47	-		348.30	-		353.30	-		233.44	-		124.62	-
Total		3,279.72	72.60		2,944.44	61.94		3,923.69	73.00		3,404.60	78.92		2,027.70	70.55

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
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(Amount in Rupees Millions except for share data or as otherwise stated)

4. Loans (Unsecured, considered good)- Current

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Loans to employees	1.92	2.31	1.94	3.12	2.65
Loans to Selling agents, Retail agents, Supervisors and others	14.69	10.58	16.85	16.03	11.09
Total	16.61	12.89	18.79	19.15	13.74

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

5. Other financial assets

Particulars	As at September 30, 2021			As at September 30, 2020			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
Security Deposits															
Considered good- Unsecured	121.33	402.11	523.44	85.06	375.63	460.69	118.60	369.73	488.33	64.53	388.60	453.13	14.72	358.97	373.69
Credit Impaired	1.56	-	1.56	1.12	-	1.12	1.56	-	1.56	1.12	-	1.12	1.12	-	1.12
Less: Allowance for doubtful deposits	(1.56)	(1.56)	(1.56)	(1.12)	(1.12)	(1.12)	(1.56)	(1.56)	(1.56)	(1.12)	(1.12)	(1.12)	(1.12)	(1.12)	(1.12)
	121.33	402.11	523.44	85.06	375.63	460.69	118.60	369.73	488.33	64.53	388.60	453.13	14.72	358.97	373.69
Bank Deposit with more than 12 months maturity from the Balance Sheet date	-	61.43	61.43	-	3.70	3.70	-	63.12	63.12	-	3.61	3.61	-	0.65	0.65
Insurance Claim Receivable	0.41	-	0.41	1.03	-	1.03	0.68	-	0.68	1.21	-	1.21	0.76	-	0.76
Interest accrued on deposits with banks and investments	13.56	-	13.56	7.24	-	7.24	11.84	-	11.84	5.02	-	5.02	5.12	-	5.12
Recoverable from Suppliers	27.86	-	27.86	-	-	-	-	-	-	-	-	-	-	-	-
Total	163.16	463.54	626.70	93.33	379.33	472.66	131.12	432.85	563.97	70.76	392.21	462.97	20.60	359.62	380.22

Note: The movement in allowance for doubtful deposits from March 31, 2020 to March 31, 2021 is on account of additional allowances for credit impaired security deposits made during the year.

6. Other assets

Particulars	As at September 30, 2021			As at September 30, 2020			As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
(i) Advances other than Capital advances															
Considered good- Unsecured	192.72	-	192.72	60.69	-	60.69	79.68	-	79.68	54.71	-	54.71	88.85	-	88.85
Credit Impaired	6.91	-	6.91	-	-	-	6.91	-	6.91	-	-	-	-	-	-
Less: Allowance for doubtful advances	(6.91)	-	(6.91)	(6.91)	-	(6.91)	(6.91)	-	(6.91)	-	-	(6.91)	-	-	(6.91)
	192.72	-	192.72	60.69	-	60.69	79.68	-	79.68	54.71	-	54.71	88.85	-	88.85
(ii) Capital advances	-	1.71	1.71	-	-	-	-	0.68	0.68	-	9.61	9.61	-	-	-
(iii) Balances with government authorities :															
(i) Goods and Services tax/Value Added tax credit receivable	155.74	0.23	155.97	92.33	0.23	92.56	115.65	0.23	115.88	167.61	0.23	167.84	179.30	0.62	179.92
(iv) Prepayments	23.31	1.34	24.65	20.53	0.27	20.80	17.23	0.36	17.59	19.58	0.11	19.69	17.86	0.31	18.17
(v) Prepaid Rent	5.07	24.49	29.56	2.95	12.85	15.80	4.49	23.07	27.56	2.73	12.73	15.46	1.88	9.56	11.44
(vi) Share issue expenses recoverable (Refer Note below)	41.29	-	41.29	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Receivables from Showroom Managers, Retail Agents etc.															
Considered good- Unsecured	13.85	-	13.85	7.32	-	7.32	6.07	-	6.07	6.19	-	6.19	4.67	-	4.67
Credit Impaired	1.62	-	1.62	-	-	-	1.62	-	1.62	-	-	-	-	-	-
Less: Allowance for doubtful receivables	(1.62)	-	(1.62)	(1.62)	-	(1.62)	(1.62)	-	(1.62)	-	-	(1.62)	-	-	(1.62)
	13.85	-	13.85	7.32	-	7.32	6.07	-	6.07	6.19	-	6.19	4.67	-	4.67
(vii) Amounts paid under protest	-	5.08	5.08	-	5.49	5.49	-	5.08	5.08	-	5.38	5.38	-	9.38	9.38
] Sales tax ₹ 5.08 Millions (September 30, 2020 - 5.49 Millions, March 31, 2021 - Sales tax ₹ 5.08 Millions, March 31, 2020 - Sales tax ₹ 5.38 Millions, March 31, 2019- Excise duty ₹ 5 Millions and Sales tax ₹ 4.38 Millions] [Refer Note 26]															
(viii) Other Advances	-	-	-	-	-	-	-	-	-	-	-	-	10.61	-	10.61
Total	431.98	32.85	464.83	183.82	18.84	202.66	223.12	29.42	252.54	250.82	28.06	278.88	303.17	19.87	323.05

Note : Share issue expenses recoverable of Rs 41.29 Millions incurred by the company is towards Initial Public Offering ("IPO") . Further this amount includes Rs.11.6 Millions paid to statutory auditor.

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7. Inventories (At lower of Cost or Net realisable value)

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Stock in trade (Refer Note 20)	3,386.36	3,106.83	2,897.55	3,761.31	3,646.15
Total	3,386.36	3,106.83	2,897.55	3,761.31	3,646.15
Included above, goods-in-transit:	68.38	89.21	52.70	27.34	58.04

Notes:

(i) The cost of inventories recognised as an expense during the period was ₹ 1,960.05 Millions (September 30, 2020 ₹ 880.54 Millions, March 31, 2021 ₹ 3604.78 Millions, March 31, 2020 ₹ 5,706.63 Millions & March 31, 2019 ₹ 5,487.34 Millions)

(ii) The cost of inventories recognised as an expense includes (₹ 1.81) Millions (September 30, 2020 ₹ 0.5 Millions, March 31, 2021 (₹ 1.30) Millions, March 31, 2020 ₹ 1.46 Millions & March 31, 2019: ₹ 2 Millions) in respect of write-down of inventory to net realisable value.

8. Trade receivables

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) Trade receivable considered good - Unsecured *	695.72	701.17	505.51	701.28	519.27
(b) Trade receivable - credit impaired	0.53	1.81	0.53	1.81	1.81
	696.25	702.98	506.04	703.09	521.08
Less: Allowance for bad and doubtful trade receivables	(0.53)	(1.81)	(0.53)	(1.81)	(1.81)
Total	695.72	701.17	505.51	701.28	519.27

* Refer Note 37.4 (A) (ii)

Trade Receivables Ageing Schedule

As at September 30, 2021

Particulars	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	478.71	157.99	58.19	-	0.30	695.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.08	0.45	-	-	0.53
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	478.71	158.07	58.64	-	0.30	695.72

Note: There are no unbilled dues for the reporting periods.

As at September 30, 2020

Particulars	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	195.87	484.82	12.63	5.75	0.29	699.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1.81	1.81
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	195.87	484.82	12.63	5.75	2.10	701.17

Note: There are no unbilled dues for the reporting periods.

As at March 31, 2021

Particulars	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	360.54	58.96	85.29	0.15	0.04	504.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.08	0.45	-	0.53
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	360.54	58.96	85.37	0.60	0.04	505.51

Note: There are no unbilled dues for the reporting periods.

As at March 31, 2020

Particulars	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	658.54	13.77	26.82	0.05	0.29	699.47
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1.81	1.81
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	658.54	13.77	26.82	0.05	2.10	701.28

Note: There are no unbilled dues for the reporting periods.

As at March 31, 2019

Particulars	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	422.33	45.45	48.76	0.81	0.11	517.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1.81	1.81
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	422.33	45.45	48.76	0.81	1.92	519.27

Note: There are no unbilled dues for the reporting periods.

9a. Cash and cash equivalents

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) Unrestricted balances with Banks					
- In Current accounts	174.63	85.24	245.06	94.80	71.27
- In Fixed Deposit	-	-	-	2.60	0.52
(b) Restricted balances with Banks (Refer Note below)					
- In Current accounts	-	-	-	0.03	-
(c) Cash on hand	0.20	0.15	4.71	4.99	5.29
(d) Cash at showrooms	18.89	14.51	13.39	2.53	38.18
Total	193.72	99.90	263.16	104.95	115.26

Note- Restricted balances with banks represent unpaid dividend. The same had been paid in subsequent reporting period

9b. Other Bank Balances

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) In earmarked accounts					
Balance with Banks (fixed deposits) held as margin money or security against guarantees and other commitments (Refer Foot Note below)	4.55	4.02	4.27	3.89	5.02
(b) Fixed Deposits	767.76	150.00	611.81	-	0.63
Total	772.31	154.02	616.08	3.89	5.65

Note:

Balances with banks (fixed deposits) includes ₹ 1.05 Millions (September 30, 2020 ₹ 3.64 Millions, March 31, 2021 ₹ 4.27 Millions, March 31, 2020 ₹ 2.09 Millions & March 31, 2019 ₹ 2.92 Millions) which have an original maturity of more than 12 months.

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11. Other equity

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
Restated Balance as at April 1, 2018	57.47	2.90	867.01	1.69	4,390.23	0.90	5,320.20	146.18	5,466.38
Restated Profit/(Loss) for the year	-	-	-	-	1,478.15	-	1,478.15	49.16	1,527.31
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.18	(8.23)	(8.05)	(0.18)	(8.23)
Restated Total comprehensive income for the year	-	-	-	-	1,478.33	(8.23)	1,470.10	48.98	1,519.08
Final Dividend	-	-	-	-	(51.60)	-	(51.60)	-	(51.60)
Dividend Distribution Tax on Final Dividend	-	-	-	-	(10.61)	-	(10.61)	-	(10.61)
Interim Dividend	-	-	-	-	(318.64)	-	(318.64)	-	(318.64)
Dividend distribution tax on Interim Dividend	-	-	-	-	(65.50)	-	(65.50)	-	(65.50)
Premium received on Issue of ESOP Shares	7.03	-	-	-	-	-	7.03	-	7.03
Employee's Stock Options Expenses	-	-	-	(0.68)	0.71	-	0.03	-	0.03
Transfer from ESOP outstanding account to share premium on exercise	0.72	-	-	(0.72)	-	-	-	-	-
Utilised in Issue of Bonus Shares	(57.47)	-	(867.01)	-	(255.54)	-	(1,180.02)	-	(1,180.02)
Restated Balance as at March 31, 2019	7.75	2.90	-	0.29	5,167.38	(7.33)	5,170.99	195.16	5,366.15
Ind AS 116 transition adjustment (Refer PART B: Summary of restatement adjustments)	-	-	-	-	1.58	-	1.58	-	1.58
Restated Balance as at March 31, 2019	7.75	2.90	-	0.29	5,168.96	(7.33)	5,172.57	195.16	5,367.73
Restated Profit/(Loss) for the year	-	-	-	-	1,567.28	-	1,567.28	38.47	1,605.75
Restated Other comprehensive income (net of income tax)	-	-	-	-	-	6.41	5.37	1.04	6.41
Restated Total comprehensive income for the year	-	-	-	-	1,567.28	6.41	1,572.65	39.51	1,612.16
Restated Balance as at March 31, 2020	7.75	2.90	-	0.29	6,736.24	(0.92)	6,745.22	234.67	6,979.89
Restated Profit/(Loss) for the year	-	-	-	-	681.99	-	681.99	(35.80)	646.19
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.25	18.46	18.71	(0.25)	18.46
Restated Total comprehensive income for the year	-	-	-	-	682.24	18.46	700.70	(36.05)	664.65
Interim Dividend	-	-	-	-	(99.58)	-	(99.58)	-	(99.58)
Final Dividend	-	-	-	-	(398.30)	-	(398.30)	-	(398.30)
Transfer of ESOP outstanding reserve to General reserve	-	-	0.29	(0.29)	-	-	-	-	-
Restated Balance as at March 31, 2021	7.75	2.90	0.29	-	6,920.60	17.54	6,948.03	198.63	7,146.66

For the interim period reported

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
Restated Balance as at March 31, 2020	7.75	2.90	-	0.29	6,736.24	(0.92)	6,745.22	234.67	6,979.89
Restated Profit/(Loss) for the period	-	-	-	-	(394.29)	-	(394.29)	(36.86)	(431.15)
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.31	20.76	21.07	(0.31)	20.76
Restated Total comprehensive income for the period	-	-	-	-	(393.98)	20.76	(373.22)	(37.17)	(410.39)
Final dividend	-	-	-	-	(362.52)	-	(362.52)	-	(362.52)
Dividend Distribution Tax on Final Dividend	-	-	-	-	(35.78)	-	(35.78)	-	(35.78)
Restated Balance as at September 30, 2020	7.75	2.90	-	0.29	5,943.96	19.84	5,973.70	197.50	6,171.20
Restated Balance as at March 31, 2021	7.75	2.90	0.29	-	6,920.60	17.54	6,948.03	198.63	7,146.66
Restated Profit/(Loss) for the period	-	-	-	-	415.33	-	415.32	15.42	430.74
Restated Other comprehensive income (net of income tax)	-	-	-	-	0.25	7.42	7.68	(0.25)	7.43
Restated Total comprehensive income for the period	-	-	-	-	415.58	7.42	423.00	15.17	438.17
ESOP issued during the year	-	-	-	0.41	-	-	0.41	-	0.41
Final Dividend	-	-	-	-	(298.73)	-	(298.73)	-	(298.73)
Restated Balance as at September 30, 2021	7.75	2.90	0.29	0.41	7,037.45	24.96	7,072.71	213.80	7,286.51

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 Act.

General Reserve:

General Reserves is created out of profits of the Company. The reserve is created in accordance with the provisions of the Act.

Employees Stock Options Outstanding Account:

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 represent change in the value of investments accounted through FVOCI.

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17. Revenue from operations

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories	4,557.02	1,761.89	7,990.13	12,806.77	12,165.65
(b) Other operating revenues					
- Shoe Repair Income	1.89	0.66	3.30	4.69	5.00
- Sale of Service (Commission & Expense Recoveries)	1.11	2.89	7.14	40.16	-
Total	4,560.02	1,765.44	8,000.57	12,851.62	12,170.65

18. Other Income

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income:					
Income earned on financial assets carried at amortised cost:					
Interest on bank deposits	19.48	5.46	13.69	0.65	0.43
Interest on loan given to Joint Venture	-	-	-	-	0.54
Interest on other Loans and advances	1.01	2.82	2.52	2.45	1.40
Interest on Security deposit	13.78	13.90	27.49	27.62	20.34
Interest on Income Tax Refund	-	-	-	-	-
Interest on Sales tax Refund	-	-	0.40	-	-
Income earned on financial assets carried at FVOCI					
Interest Income from Tax Free Bonds	4.50	4.50	8.97	9.00	8.97
	38.77	26.68	53.07	39.72	31.68
Dividend Income:					
Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	-	5.20	5.20	46.23	42.30
Net gain arising on Investments designated as FVTPL	85.29	110.77	183.21	128.80	102.21
Net gain on foreign currency transactions and translation	3.01	0.96	2.44	1.67	6.63
Rent Concession on account of COVID - 19 (Refer Note 30)	200.65	369.42	518.84	-	-
Other Income:					
Cash Discounts	1.22	0.52	1.51	2.21	0.79
Miscellaneous Income (Refer Note 28)	3.72	1.55	11.71	5.29	6.45
Liabilities no longer required, written back	-	-	8.83	26.55	8.24
Sales tax refund	-	-	-	8.59	-
Total	332.66	515.10	784.81	259.06	198.30

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19. Purchases

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Stock-in-Trade (Footwear, Bags & Accessories)	2,380.60	191.59	2,606.19	5,609.89	6,172.39
Packing Materials	68.26	34.45	134.83	211.90	167.00
Total	2,448.86	226.04	2,741.02	5,821.79	6,339.39

20. Changes in Inventories of Stock-In-Trade

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<u>Inventories at the end of the period/year:</u>					
Stock-in-trade	(3,386.36)	(3,106.83)	(2,897.55)	(3,761.31)	(3,646.14)
<u>Inventories at the beginning of the period/year:</u>					
Stock-in-trade	2,897.55	3,761.31	3,761.31	3,646.15	2,794.09
Net Decrease/(Increase) in Stock-in-trade	(488.81)	654.48	863.76	(115.16)	(852.05)

21. Employee benefits expense

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages (Refer Note 33)	480.06	438.65	939.06	1,153.04	1,003.65
(b) Contribution to provident and other funds (Refer Note 27)	45.25	43.48	84.14	105.48	109.51
(c) Staff welfare expenses	1.32	0.77	2.82	9.05	8.19
Total	526.63	482.90	1,026.02	1,267.57	1,121.35

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22. Finance Cost

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Expenses	1.05	4.91	6.25	7.74	6.14
Interest on lease liabilities	234.71	214.92	430.30	387.75	332.38
Total	235.76	219.83	436.55	395.49	338.52

23. Other expenses

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	88.23	62.38	146.81	201.69	185.53
Rent (Refer Note 30)	140.94	52.90	240.58	339.31	382.93
Rates and taxes	16.94	2.58	16.62	21.83	32.97
Insurance	7.80	5.52	11.97	10.77	9.64
Repairs and maintenance - Machinery and Equipment	4.50	2.99	7.14	7.98	7.66
Repairs and maintenance - Others	27.88	19.81	50.06	92.39	79.04
Advertisement & Sales promotion	89.48	36.43	160.79	479.76	437.12
Commission on sales	294.84	154.19	459.53	466.06	446.95
Commission on Credit Card Sales	19.50	8.22	37.51	73.09	74.51
Freight Charges	83.46	32.88	125.27	131.33	99.63
Maintenance & Other Charges - Showrooms	96.41	67.88	166.21	208.44	182.54
Shoe Repair Expenses	3.43	1.72	7.49	10.21	8.68
Communication	9.48	8.69	16.81	19.90	21.14
Donations	-	-	0.10	0.50	-
Travelling and conveyance	13.37	3.51	13.49	66.31	66.41
Legal and professional fees (Refer Note 23.2)	15.20	11.59	26.22	57.78	41.26
Payments to auditors (Refer Note 23.1)	1.60	1.45	3.90	4.34	2.10
Loss on Sale/ discard of Property, plant and equipment (net)	9.20	14.26	25.80	25.34	12.79
Corporate Social Responsibility (Refer Note 34)	1.00	6.15	43.29	21.68	13.55
Allowance for doubtful trade receivables, advances and deposits	-	-	7.69	-	0.65
Advances written off	0.92	1.25	7.04	10.16	4.42
Sales Tax Assessment dues	-	-	0.30	1.00	-
Interest on delayed payments of taxes and others	0.01	-	11.59	1.81	3.98
Miscellaneous Expenses	34.70	24.37	68.33	99.09	90.50
Total	958.89	518.77	1,654.54	2,350.77	2,204.00

23.1 Payments to auditors:

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
To statutory auditor					
(i) For Audit	1.00	1.00	2.00	2.00	1.70
(ii) For Taxation Matters	0.12	0.12	0.25	0.25	0.25
(iii) For Consolidation	0.03	0.03	0.05	0.05	0.05
(iv) For Other Services	-	-	1.00	2.04	0.10
Total	1.15	1.15	3.30	4.34	2.10

23.2 Legal & Professional of the period includes ₹ 0.45 Millions (September 30, 2020 ₹ 0.30 Millions, March 31, 2021 ₹ 0.6 Millions, March 31, 2020 ₹ 0.6 Millions & March 31, 2019-₹ 0.8 Millions) paid to the auditor of the subsidiary

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24. Current Tax and deferred tax

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax:					
In respect of current period/year	151.97	-	242.84	562.18	766.90
In respect of prior period/year	0.03	-	(7.37)	8.35	3.02
	152.00	-	235.47	570.53	769.92
Deferred tax:					
In respect of current period/year origination and reversal of temporary differences	(23.13)	(26.04)	(42.59)	16.35	(0.65)
Total	128.87	(26.04)	192.88	586.88	769.27

(b) Income tax recognised in other comprehensive income

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax:					
Remeasurement of defined benefit obligations	(2.74)	-	(3.74)	0.13	2.14
Deferred tax :					
Remeasurement of defined benefit obligations	-	0.21	-	-	-
Total	(2.74)	0.21	(3.74)	0.13	2.14
Bifurcation of income tax recognised in other comprehensive income into:					
-Items that will not be reclassified to profit or loss	(2.74)	0.21	(3.74)	0.13	2.14
Total	(2.74)	0.21	(3.74)	0.13	2.14

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Restated Profit/(Loss) before tax for the period/year	559.86	(440.31)	845.05	2,184.17	2,281.28
Income tax expense at (September 30,2021 : 25.17%, September 30, 2020 : 25.17% , March 31,2021 : 25.17% , March 31,2020 : 25.17% and March 31,2019: 34.944%)	135.94	-	212.70	549.76	797.17
Impact of tax rate change	-	-	-	35.20	(7.54)
Effect of income that is exempt from taxation	(1.26)	(30.34)	(53.52)	(19.85)	(19.36)
Effect of expenses that are non-deductible in determining taxable profit	4.41	18.58	34.18	17.89	3.88
Effect of deduction	(10.25)	(14.28)	6.89	(4.47)	(7.90)
Tax of prior periods/years	0.03	-	(7.37)	8.35	3.02
Income tax expense recognised in Restated Statement of Profit and Loss	128.87	(26.04)	192.88	586.88	769.27

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25. Deferred tax

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax assets	189.97	150.15	166.68	123.91	141.28
	189.97	150.15	166.68	123.91	141.28

(a) Holding Company

Particulars	For the six month period ended September 30, 2021			For the six month period ended September 30, 2020			For the year ended March 31, 2021			For the year ended March 31, 2020					For the year ended March 31, 2019			
	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	On Ind AS opening/transit on adjustment	Recognised in Other Comprehensive Income	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	
Tax effect of items constituting deferred tax assets/(liabilities)																		
Property, plant and equipment	10.44	4.85	15.29	2.10	5.99	8.09	2.10	8.34	10.44	(23.38)	-	-	25.48	2.10	(7.05)	(16.33)	(23.38)	
Allowance for doubtful trade receivables, advances and deposits	2.67	-	2.67	0.74	-	0.74	0.74	1.93	2.67	1.03	-	-	(0.29)	0.74	1.03	-	1.03	
Fair valuation on investments	(45.73)	2.07	(43.66)	(62.09)	(6.29)	(68.38)	(62.09)	16.36	(45.73)	(52.33)	-	-	(9.76)	(62.09)	(31.30)	(21.03)	(52.33)	
Unrealised profits on unsold inventories	3.95	(3.93)	0.02	13.55	12.88	26.43	13.55	(9.60)	3.95	14.08	-	-	(0.53)	13.55	12.97	1.11	14.08	
Deferred Tax on IND AS 116-Leases	192.02	20.10	212.12	167.40	12.50	179.90	167.40	24.62	192.02	198.93	(1.01)	-	(30.52)	167.40	163.09	35.84	198.93	
Others	-	-	-	1.52	(1.52)	-	1.52	(1.52)	-	2.11	-	-	(0.59)	1.52	-	2.11	2.11	
Net deferred tax asset/(liabilities)	163.35	23.09	186.44	123.22	23.56	146.78	123.22	40.13	163.35	140.44	(1.01)	-	(16.21)	123.22	138.74	1.70	140.44	

(b) Subsidiary

Particulars	For the six month period ended September 30, 2021			For the six month period ended September 30, 2020			For the year ended March 31, 2021			For the year ended March 31, 2020				For the year ended March 31, 2019		
	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	On Ind AS opening/transit on adjustment	Recognised in the Statement of Profit and Loss	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets/(liabilities)																
Property, plant and equipment	1.29	0.14	1.43	0.41	0.82	1.23	0.41	0.88	1.29	0.55	-	(0.14)	0.41	1.64	(1.09)	0.55
Deferred Tax on IND AS 116-Leases	-	-	-	0.28	(0.28)	-	0.28	(0.28)	-	0.29	-	(0.01)	0.28	0.24	0.05	0.29
Others	2.04	0.06	2.10	-	2.14	2.14	-	2.04	2.04	-	-	-	-	-	-	-
Net deferred tax asset/(liabilities)	3.33	0.20	3.53	0.69	2.68	3.37	0.69	2.64	3.33	0.84	-	(0.15)	0.69	1.88	(1.04)	0.84

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

Nature of Dues	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	Period	Forum where dispute is pending
(i) Contingent Liabilities							
a) Claims against the company not acknowledged as debts							
Central Excise	-	-	-	-	3.10	Apr2005 - Sept2005	CESTAT, Mumbai
	-	-	-	-	9.96	Apr2006 - Dec2007	CESTAT, Mumbai
	-	-	-	-	26.07	Jan2008 - Mar2011	CESTAT, Mumbai
	0.89	0.89	0.89	0.89	0.89	Apr2006 - Mar2014	CESTAT, Mumbai
Service Tax	1.06	1.06	1.06	1.06	1.06	Sept2008 - Mar2011	The Supreme Court of India
	-	2.01	2.01	2.01	2.01	F.Y. 2012-2013	Deputy Commissioner Appeal, Ernakulam
	-	0.16	0.16	0.16	0.16	F.Y. 2011-2012	Deputy Commissioner Appeal, Ernakulam
	64.58	64.58	64.58	64.58	64.58	F.Y. 2013-2014	Joint Commissioner - I Appeal, Ahmedabad
	7.64	7.64	7.64	7.64	7.64	F.Y. 2013-2014	Joint Commissioner of Commercial Tax(Appeals) - Bihar
	0.27	0.27	0.27	0.27	-	F.Y. 2015-2016	Joint Excise and Taxation Commissioner (Appeals) - Faridabad
	-	-	-	0.55	-	F.Y. 2017-2018	Special Commissioner Sales Tax, Large Taxpayer Unit, Corporate Div. Circle, West Bangal
	-	-	-	0.12	-	F.Y. 2017-2018	Special Commissioner Sales Tax, Large Taxpayer Unit, Corporate Div. Circle, West Bangal
	-	-	-	-	2.99	F.Y. 2013-2014	Joint Commissioner of Commercial Tax, Mumbai
GST	0.79	0.79	0.79	-	-	A.Y. 2011-12	Assistant Commissioner of State Tax- Bihar
	-	-	-	0.12	4.37	A.Y. 2009-10	The Bombay High Court
	-	-	-	0.81	3.68	A.Y. 2010-11	The Bombay High Court
	-	-	-	1.25	4.86	A.Y. 2011-12	The Bombay High Court
	-	-	-	1.36	6.85	A.Y. 2012-13	The Bombay High Court
	0.30	0.46	0.30	0.46	0.46	A.Y. 2011-12	Commissioner of Income Tax, Appeal
	-	-	0.05	-	-	A.Y. 2012-13	CPC - Income Tax
	-	-	45.32	-	-	A.Y. 2018-19	Income Tax - E Assessment Center, Delhi
(b)Other money for which the Group is contingently liable	2.05	2.05	2.05	2.05	2.05		
ii) Commitments							
a) Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	56.96	48.42	11.42	104.35	27.48		

Future cash flow in respect of matters stated under note 26(i)(a) and (c) are determinable only on receipt of judgement/decisions pending at various forums/authorities.

27 Employee Benefits:

Defined - Contribution Plans

The Group offers its employees defined contribution plan in the form of provident fund. Both the employees and the Group pay pre determined contributions into the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Group recognised Provident Fund ₹ 27.52 Millions and (for the six month period ended September 30, 2020 ₹ 26.23 Millions, for the year ended March 31, 2021 ₹ 53.06 Millions, for the year ended March 31, 2020 ₹ 68.90 Millions, for the year ended March 31, 2019 ₹ 62.69 Millions) & E.S.I.C ₹ 6.90 Millions & (for the six month period September 30, 2020 ₹ 6.47 Millions, for the year ended March 31, 2021 ₹ 13.98 Millions, for the year ended March 31, 2020 ₹ 22.65 Millions, for the year ended March 31, 2019 ₹ 59.82 Millions) in the Restated Statement of Profit and Loss.

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, whichever is higher. Vesting occurs upon completion of five years of service.

A For the Company

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

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)

Gratuity	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Expense recognized in the Restated Statement of Profit and Loss					
1. Current Service Cost	10.84	10.06	17.30	18.10	17.45
2. Interest Cost on the net defined benefit liability/(asset) (net)	0.06	0.73	1.00	1.46	1.15
Total	10.90	10.79	18.30	19.56	18.60
II. Included in Restated other comprehensive income					
1. Return on plan assets, excluding amount recognised in net interest expense	(4.79)	(6.28)	(10.96)	4.27	0.28
2. Actuarial losses on account of:					
-change in demographic assumptions	-	0.57	0.55	0.42	(2.45)
-change in financial assumptions	0.38	(1.10)	2.14	(5.34)	2.24
-experience variance	(7.17)	(5.29)	(7.26)	1.05	5.54
	(11.58)	(12.10)	(15.53)	0.40	5.61
III. Net Asset/ (Liability) recognized in the Restated Statement of Asset and Liabilities					
1. Present Value of Defined Benefit Obligation	179.18	164.98	173.63	161.73	153.48
2. Fair value of plan assets	177.77	146.98	171.54	142.41	134.12
3. Net (liability) as at end of the period/year	(1.41)	(18.00)	(2.09)	(19.32)	(19.36)
IV. Change in the obligation during the period/year					
1. Present Value of Defined Benefit Obligation at the beginning of the period/year	173.62	161.72	161.73	153.49	132.08
2. Expenses recognised in profit and loss Account					
-Current Service Cost	10.84	10.06	17.30	18.10	17.45
-Interest Cost	5.03	4.40	8.40	11.54	10.00
3. Remeasurement gains/(losses)					
-change in demographic assumptions	-	0.57	0.55	0.42	(2.45)
- change in financial assumptions	0.38	(1.10)	2.14	(5.34)	2.24
-experience variance (i.e. Actual experience vs assumptions)	(7.17)	(5.29)	(7.26)	1.05	5.54
4. Benefit Payments	(3.51)	(5.37)	(9.23)	(17.53)	(11.37)
5. Present Value of Defined Benefit Obligation at the end of the period/year	179.19	164.99	173.63	161.73	153.49
V. Change in Fair Value of Assets during the period/year					
1. Plan assets at the beginning of the period/year	171.53	142.40	142.41	134.13	116.92
2. Investment Income	4.97	3.66	7.40	10.08	8.86
3. Recognised in other comprehensive income					
Remeasurement gains/(losses)					
- Actual return on plan assets in excess of the expected Return	4.79	6.28	10.96	(4.27)	(0.28)
4. Contribution by employer	-	-	20.00	20.00	20.00
5. Benefits paid	(3.51)	(5.37)	(9.23)	(17.53)	(11.37)
6. Fair value of Plan assets at the end of the period/year	177.78	146.97	171.54	142.41	134.13
VI. The major categories of plan assets of the fair value of the total plan assets					
- Funds managed by Insurer	100%	100%	100%	100%	100%
VII. Actuarial assumptions					
1. Discount Rate [HO]	6.35%	5.45%	6.40%	6.55%	7.50%
Discount Rate [Sales Staff]	4.85%	5.00%	4.80%	5.20%	6.60%
2. Expected rate of return on plan assets	8.00%	8.00%	8.00%	8.00%	8.00%
3. Salary Escalation Rate [HO]	8.50%	5% for first year and 8.5% thereafter	8.50%	5% for first year and 8.5% thereafter	9.50%
Salary Escalation Rate [Sales Staff]	8.50%	5% for first year and 8.5% thereafter	8.50%	5% for first year and 8.5% thereafter	9.50%
4. Attrition Rate [HO]	8.89%	8.89%	8.89%	8.89%	8.50%
Attrition Rate [Sales Staff]	31.49%	31.49%	31.49%	33.42%	36.97%
5. In-service Mortality	100% of IALM 2012-14	100% of IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM2006-08

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate (-/+ 1%)					
- Decrease by 1%	12.37	13.11	13.39	12.76	11.70
- Increase by 1%	(11.01)	(11.54)	(11.82)	(11.23)	(10.26)
Salary growth Rate (-/+ 1%)					
- Decrease by 1%	(10.87)	(11.44)	(11.69)	(11.17)	(10.17)
- Increase by 1%	11.97	12.73	12.96	12.43	11.36
Attrition Rate (-/+ 50% of the attrition rate)					
- Decrease by 50%	16.89	16.73	15.77	14.85	13.46
- Increase by 50%	(8.92)	(9.34)	(8.78)	(8.43)	(7.83)
Mortality Rate (-/+ 10% of mortality rate)					
- Decrease by 10%	0.05	0.05	0.05	0.04	0.04
- Increase by 10%	(0.05)	(0.05)	(0.05)	(0.04)	(0.04)

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

- d) Expected contribution for the next year:
The Company expects to contribute ₹ 18.40 Millions in respect of the gratuity plans during the next financial year ending March 31, 2022.
- e) Expected future benefits payable:

Maturity Profile of Defined Benefit Obligation	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
1 year	29.68	19.52	20.65	19.85	28.21
2 to 5 years	79.66	68.33	75.19	69.09	61.77
6 to 10 years	61.55	61.13	66.08	62.00	56.51
More than 10 years	117.54	134.41	137.06	137.18	154.88

Compensated absences

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate (per annum)	6.35%	-	-	-	-
Salary growth rate (per annum)	8.50%	-	-	-	-
Retirement age	60 years	-	-	-	-
Mortality rate	100% of IALM 2012-14	-	-	-	-
Attrition / Withdrawal rate (per annum)	8.89%	-	-	-	-
Rate of Leave Availment (per annum)	2.50%	-	-	-	-

A quantitative sensitivity analysis for significant assumption as at 30th September 2021 and 30th September 2020 is as shown below:

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate (-/+ 1%)					
- Decrease by 1%	0.16	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Increase by 1%	(0.14)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Salary growth Rate (-/+ 1%)					
- Decrease by 1%	(0.14)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Increase by 1%	0.15	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Attrition Rate (-/+ 50% of the attrition rate)					
- Decrease by 50%	0.85	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Increase by 50%	(0.53)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Mortality Rate (-/+ 10% of mortality rate)					
- Decrease by 10%	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable
- Increase by 10%	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note : From 1st April 2021 onwards, the Company had changed the policy for Compensated absences which allowed the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the six month period ended September 30, 2021.

B For the Subsidiary-Unfunded

i Assets and Liability (Balance Sheet Position)

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Present Value of Obligation	8.34	8.48	8.09	6.55	7.13
Fair Value of Plan Assets	-	-	-	-	-
(Deficit)	(8.34)	(8.48)	(8.09)	(6.55)	(7.13)
Effects of Asset Ceiling, if any	-	-	-	-	-
Net (Liability)	(8.34)	(8.48)	(8.09)	(6.55)	(7.13)

ii Expenses recognised during the period/year

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
In Income Statement	0.86	1.09	1.50	1.85	1.79
In Other Comprehensive Income	0.69	0.84	0.68	(2.12)	0.56
Total Expenses Recognized during the period/year	1.56	1.93	2.18	(0.27)	2.35

iii Changes in the Present Value of Obligation

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Present Value of Obligation as at the beginning	8.10	6.55	6.55	7.13	5.05
Current Service Cost	0.69	0.93	1.16	1.38	1.44
Interest Expense or Cost	0.17	0.16	0.33	0.47	0.35
<u>Re-measurement (or Actuarial) (gain) / loss arising from:</u>					
change in demographic assumptions	-	-	-	-	-
change in financial assumptions	0.05	(0.95)	(1.05)	0.11	0.03
variance (i.e. Actual experiences assumptions)	0.64	1.79	1.73	(2.23)	0.52
Benefits paid	(1.31)	-	-	(0.31)	(0.26)
Past Service Cost	-	-	(0.63)	-	-
Present Value of Obligation as at the end	8.34	8.48	8.09	6.55	7.13

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Current Liability (Short term)	1.47	1.48	1.75	0.98	1.29
Non-Current Liability (Long term)	6.87	7.00	6.34	5.57	5.84
Present Value of Obligation	8.34	8.48	8.09	6.55	7.13

v Expenses Recognised in the Income Statement

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Service Cost	0.69	0.93	1.17	1.38	1.44
Past Service Cost	-	-	-	-	-
Interest Expense or Cost	0.17	0.16	0.33	0.47	0.35
Present Value of Obligation as at the end	0.86	1.09	1.50	1.85	1.79

vi Other Comprehensive Income

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial (gains) / losses					
change in demographic assumptions	-	-	-	-	-
change in financial assumptions	0.05	(0.95)	(1.06)	0.10	0.04
experience variance (i.e. Actual experience vs assumptions)	0.64	1.79	1.73	(2.23)	0.52
Components of defined benefit costs recognised in other comprehensive income	0.69	0.84	0.67	(2.13)	0.56

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount rate (per annum)	For H.O. - 6.30% p.a. and For Sales Staff - 4.40% p.a.	For H.O. - 6.10% p.a. and For Sales Staff - 4.25% p.a.	For H.O. - 6.40% p.a. and For Sales Staff - 4.35% p.a.	For H.O. - 6.35% p.a. and For Sales Staff - 5.05% p.a.	For H.O. - 7.50% p.a. and For Sales Staff - 6.55% p.a.
Salary growth rate (per annum)	For HO employees : 0% until FY 2022 and 8.5% thereafter, For Sales Staff: 0% until FY 2022 and 5% thereafter	For HO employees : 0% until FY 2022 and 8.5% thereafter For Sales Staff: 0% until FY 2022 and 5% thereafter	For H.O. 0% p.a for first year and thereafter 8.5% p.a. and For Sales Staff 0% p.a. for first year and thereafter 5% p.a	For H.O. 0% p.a for first year and thereafter 10% p.a. and for sales staff 0% p.a. for first year and thereafter 5% p.a	For H.O. 10% p.a and for sales staff 5% p.a

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

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

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Mortality rate (% of IALM 06-08)	100%	100%	100%	100%	100%
Normal retirement age	60 Years	60 Years	60 Years	60 Years	60 Years
Attrition / Withdrawal rates, based on Category: (per annum)					
H.O. years	8.82%	8.82%	8.82%	8.82%	8.82%
Sales Staff years	43.04%	43.04%	43.04%	43.04%	43.04%

*Attrition rate has been considered as 100% for certain employees (90 employees) who are expected to leave the organisation in 21-22

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 reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Defined Benefit Obligation (Base)	8.34	8.48	8.09	6.55	7.13

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Discount Rate (- / + 1%)					
-Decrease by 1 %	0.63	0.63	0.55	0.59	0.56
-Increase by 1 %	(0.54)	(0.54)	(0.49)	(0.50)	(0.48)
Salary Growth Rate (- / + 1%)					
-Decrease by 1 %	(0.43)	(0.46)	(0.40)	(0.46)	(0.45)
-Increase by 1 %	0.47	0.49	0.42	0.51	0.49
Attrition Rate (- / + 50% of attrition rates)					
-Decrease by 1 %	0.36	0.64	0.50	1.05	0.60
-Increase by 1 %	(0.24)	(0.41)	(0.33)	(0.61)	(0.41)
Mortality Rate (- / + 10% of mortality rates)					
-Decrease by 1 %	-	-	-	-	-
-Increase by 1 %	-	-	-	-	-

28 Related party disclosures as required by IND AS-24 "Related Party disclosures" are given below:

List of Related Parties :

I. Names of Related Party and description of relationship:

a.	Joint Venture	:	M/s. M.V. Shoe Care Private Limited
b. Other Related Parties with whom transactions have taken place during the period :			
i.	Key Management Personnel (KMP)	:	Mr. Rafique Malik – Chairman (having significant influence) Mrs. Farah Malik Bhanji – Managing Director (having significant influence) Mrs. Aziza Malik – Whole Time Director (having significant influence) (Upto 25th November,2020) Mr. Nissan Joseph - Chief Executive Officer (having significant influence) (from 1st July, 2021) Mr. Kaushal Parekh - Chief Financial Officer (From 26th November, 2020) Ms. Tarannum Bhanpurwala - Company Secretary (From 26th November, 2020) Mr. J.J. Desai - Company Secretary & Chief Financial Officer (Upto 25th November,2020) Mr. Subhash Malik (Upto 25th November,2020) Mr. Rakesh Jhunjhunwala (Upto to 24th March,2021) Mr. Utpal Sheth Ms. Aruna Advani Mr. Manoj Kumar Maheshwari Mr. Arvind Kumar Singhal Mr. Karan Singh (Upto 24th March,2021) Mr. Vikas Khemani Mr. Mohammed Iqbal hasanally Dossani (From 26th November, 2020) Mr. Srikanth Velamakanni (From 25th March, 2021)
ii.	Relatives of Key Management Personnel	:	Mrs. Sabina Malik Hadi Ms. Zarah Rafique Malik Mrs. Zia Malik Lalji Ms. Alisha R. Malik Mrs. Rukshana Kurbanali Javeri Mrs. Mumtaz Jaffer Mr. Suleiman Sadruddin Bhanji Mrs. Aziza Malik ((From 26th November, 2020)
iii.	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	:	Design Matrix Interiors LLP Design Matrix Associated Private Limited Allium Property LLP Metro Shoes Aziza Malik Family Trust Rafique Malik Family Trust Zia Malik Family Trust Zarah Malik Family Trust Sabina Malik Family Trust Farah Malik Family Trust

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)					
Rafique Malik	Sep-21	-	-	2.83	-
	Sep-20	-	-	1.22	-
	2020-21	-	-	5.35	-
	2019-20	-	-	8.25	-
	2018-19	-	-	9.66	-
Aziza Malik	Sep-21	-	-	6.29	-
	Sep-20	-	-	2.45	-
	2020-21	-	-	11.56	-
	2019-20	-	-	20.65	-
	2018-19	-	-	24.71	-
Commission/Rent in respect of retail agency agreements for showroom					
Metro Shoes	Sep-21	5.01	-	-	-
	Sep-20	1.28	-	-	-
	2020-21	7.76	-	-	-
	2019-20	19.99	-	-	-
	2018-19	23.95	-	-	-
Rent (Compensation received in respect of rent for office)					
Metro Shoes	Sep-21	0.20	-	-	-
	Sep-20	0.20	-	-	-
	2020-21	0.40	-	-	-
	2019-20	0.46	-	-	-
	2018-19	-	-	-	-
Remuneration #					
Rafique Malik	Sep-21	-	-	36.83	-
	Sep-20	-	-	26.06	-
	2020-21	-	-	67.34	-
	2019-20	-	-	60.55	-
	2018-19	-	-	54.31	-
Farah Malik Bhanji	Sep-21	-	-	15.59	-
	Sep-20	-	-	10.81	-
	2020-21	-	-	28.06	-
	2019-20	-	-	25.63	-
	2018-19	-	-	22.87	-
Aziza Malik	Sep-21	-	-	-	-
	Sep-20	-	-	7.68	-
	2020-21	-	-	9.39	-
	2019-20	-	-	18.44	-
	2018-19	-	-	16.43	-
Aziza Malik	Sep-21	-	-	-	11.22
	Sep-20	-	-	-	-
	2020-21	-	-	-	10.60
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Nissan Joseph	Sep-21	-	-	6.35	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
J.J. Desai	Sep-21	-	-	-	-
	Sep-20	-	-	6.79	-
	2020-21	-	-	7.15	-
	2019-20	-	-	25.96	-
	2018-19	-	-	13.82	-
Subhash Malik	Sep-21	-	-	-	-
	Sep-20	-	-	1.51	-
	2020-21	-	-	1.51	-
	2019-20	-	-	2.71	-
	2018-19	-	-	2.54	-
Kaushal Parekh	Sep-21	-	-	5.28	-
	Sep-20	-	-	-	-
	2020-21	-	-	5.76	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Mohammed Iqbal hasanally Dossani	Sep-21	-	-	1.65	-
	Sep-20	-	-	-	-
	2020-21	-	-	1.17	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
Remuneration #					
Tarannum Bhanpurwala	Sep-21	-	-	0.46	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.24	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Alisha R. Malik	Sep-21	-	-	-	2.54
	Sep-20	-	-	-	1.78
	2020-21	-	-	-	4.70
	2019-20	-	-	-	4.48
	2018-19	-	-	-	3.94
ESOP Exercised					
Subhash Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	-
	2019-20	-	-	-	-
	2018-19	-	-	0.23	-
Directors' Sitting Fees					
Ms. Aruna Advani	Sep-21	-	-	0.21	-
	Sep-20	-	-	0.07	-
	2020-21	-	-	0.26	-
	2019-20	-	-	0.26	-
	2018-19	-	-	0.36	-
Mr. Manoj Kumar Maheshwari	Sep-21	-	-	0.23	-
	Sep-20	-	-	0.07	-
	2020-21	-	-	0.26	-
	2019-20	-	-	0.21	-
	2018-19	-	-	0.31	-
Mr. Arvind Kumar Singhal	Sep-21	-	-	0.16	-
	Sep-20	-	-	0.05	-
	2020-21	-	-	0.18	-
	2019-20	-	-	0.15	-
	2018-19	-	-	0.24	-
Mr. Karan Singh	Sep-21	-	-	-	-
	Sep-20	-	-	0.03	-
	2020-21	-	-	0.09	-
	2019-20	-	-	0.12	-
	2018-19	-	-	0.12	-
Mr. Srikanth Velamakanni	Sep-21	-	-	0.12	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.03	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Mr. Vikas Khemani	Sep-21	-	-	0.09	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.03	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Retainership Fees					
Mumtaz Jaffer	Sep-21	-	-	-	1.80
	Sep-20	-	-	-	1.40
	2020-21	-	-	-	2.48
	2019-20	-	-	-	3.54
	2018-19	-	-	-	4.13
Interim Dividend					
Rafique Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	1.01	-
	2019-20	-	-	-	-
	2018-19	-	-	3.24	-
Farah Malik Bhanji	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	2.98	-
	2019-20	-	-	-	-
	2018-19	-	-	9.53	-

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
Interim Dividend					
Aziza Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.51	-
	2019-20	-	-	-	-
	2018-19	-	-	1.62	-
J.J. Desai	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.09	-
	2019-20	-	-	-	-
	2018-19	-	-	0.27	-
Subhash Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.02	-
	2019-20	-	-	-	-
	2018-19	-	-	0.08	-
Alisha R. Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	4.47
	2019-20	-	-	-	-
	2018-19	-	-	-	14.29
Sabina Malik Hadi	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	2.98
	2019-20	-	-	-	-
	2018-19	-	-	-	9.53
Zarah Rafique Malik	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	2.98
	2019-20	-	-	-	-
	2018-19	-	-	-	9.53
Zia Malik Lalji	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	2.98
	2019-20	-	-	-	-
	2018-19	-	-	-	9.53
Rukshana Kurbanali Javeri	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	0.09
	2019-20	-	-	-	-
	2018-19	-	-	-	0.29
Mumtaz Jaffer	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	0.01
	2019-20	-	-	-	-
	2018-19	-	-	-	0.03
Kaushal Parekh	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	0.03	-
	2019-20	-	-	-	-
	2018-19	-	-	-	-
Aziza Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	30.07	-	-	-
	2019-20	-	-	-	-
	2018-19	96.22	-	-	-
Rafique Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	29.64	-	-	-
	2019-20	-	-	-	-
	2018-19	94.83	-	-	-

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
Interim Dividend					
Zia Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	1.49	-	-	-
	2019-20	-	-	-	-
	2018-19	4.76	-	-	-
Zarah Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	1.49	-	-	-
	2019-20	-	-	-	-
	2018-19	4.76	-	-	-
Sabina Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	1.49	-	-	-
	2019-20	-	-	-	-
	2018-19	4.76	-	-	-
Farah Malik Family Trust	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	1.49	-	-	-
	2019-20	-	-	-	-
	2018-19	4.76	-	-	-
Suleiman Sadruddin Bhanji	Sep-21	-	-	-	-
	Sep-20	-	-	-	-
	2020-21	-	-	-	0.01
	2019-20	-	-	-	-
	2018-19	-	-	-	0.03

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Subsidiaries	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
	Final Dividend					
Rafique Malik	Sep-21	-	-	-	3.04	-
	Sep-20	-	-	-	3.75	-
	2020-21	-	-	-	3.75	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	0.53	-
Farah Malik Bhanji	Sep-21	-	-	-	8.93	-
	Sep-20	-	-	-	11.01	-
	2020-21	-	-	-	11.01	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	1.54	-
Aziza Malik	Sep-21	-	-	-	-	1.52
	Sep-20	-	-	-	1.87	-
	2020-21	-	-	-	1.87	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	0.26	-
J.J. Desai	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	0.32	-
	2020-21	-	-	-	0.32	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	0.04	-
Subhash Malik	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	0.01	-
	2020-21	-	-	-	0.01	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	0.01	-
Kaushal Parekh	Sep-21	-	-	-	0.09	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	0.11	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	-
Alisha R. Malik	Sep-21	-	-	-	-	13.40
	Sep-20	-	-	-	-	16.52
	2020-21	-	-	-	-	16.52
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	2.32
Sabina Malik Hadi	Sep-21	-	-	-	-	8.93
	Sep-20	-	-	-	-	9.06
	2020-21	-	-	-	-	9.06
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	1.54
Zarah Rafique Malik	Sep-21	-	-	-	-	8.93
	Sep-20	-	-	-	-	9.06
	2020-21	-	-	-	-	9.06
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	1.54
Zia Malik Lalji	Sep-21	-	-	-	-	8.93
	Sep-20	-	-	-	-	9.06
	2020-21	-	-	-	-	9.06
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	1.54
Rukshana Kurbanali Javeri	Sep-21	-	-	-	-	0.27
	Sep-20	-	-	-	-	0.29
	2020-21	-	-	-	-	0.29
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	0.05
Mumtaz Jaffer	Sep-21	-	-	-	-	0.03
	Sep-20	-	-	-	-	0.03
	2020-21	-	-	-	-	0.03
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	0.01
Aziza Malik Family Trust	Sep-21	-	90.21	-	-	-
	Sep-20	-	111.26	-	-	-
	2020-21	-	111.26	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	15.59	-	-	-
Rafique Malik Family Trust	Sep-21	-	88.91	-	-	-
	Sep-20	-	109.65	-	-	-
	2020-21	-	109.65	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	15.37	-	-	-
Zia Malik Family Trust	Sep-21	-	4.47	-	-	-
	Sep-20	-	5.51	-	-	-
	2020-21	-	5.51	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	0.77	-	-	-
Zarah Malik Family Trust	Sep-21	-	4.47	-	-	-
	Sep-20	-	5.51	-	-	-
	2020-21	-	5.51	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	0.77	-	-	-
Sabina Malik Family Trust	Sep-21	-	4.47	-	-	-
	Sep-20	-	5.51	-	-	-
	2020-21	-	5.51	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	0.77	-	-	-
Farah Malik Family Trust	Sep-21	-	4.47	-	-	-
	Sep-20	-	5.51	-	-	-
	2020-21	-	5.51	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	0.77	-	-	-
Suleiman Sadruddin Bhanji	Sep-21	-	-	-	-	0.03
	Sep-20	-	-	-	-	0.03
	2020-21	-	-	-	-	0.03
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	0.01

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

II. Related Party Transactions during the period/year :

Particulars	Periods/Years	Subsidiaries	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel
Rent						
Allium Property LLP	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	10.21	-	-	-
Purchase of property						
Allium Property LLP	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	210.44	-	-	-
Professional Fees (capital cost)						
Design Matrix Interiors LLP	Sep-21	-	8.85	-	-	-
	Sep-20	-	3.61	-	-	-
	2020-21	-	12.43	-	-	-
	2019-20	-	30.22	-	-	-
	2018-19	-	33.16	-	-	-
Professional Fees						
Design Matrix Associated Private Limited	Sep-21	-	-	-	-	-
	Sep-20	-	2.50	-	-	-
	2020-21	-	2.50	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	-	-	-	-
Loan Given*						
M.V. Shoe Care Private Limited	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	-	10.00	-	-
Loan Repaid*						
M.V. Shoe Care Private Limited	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	-	10.00	-	-
Interest On Loan Given						
M.V. Shoe Care Private Limited	Sep-21	-	-	-	-	-
	Sep-20	-	-	-	-	-
	2020-21	-	-	-	-	-
	2019-20	-	-	-	-	-
	2018-19	-	-	0.53	-	-
Purchases of Stock-in-Trade						
M.V. Shoe Care Private Limited	Sep-21	-	-	28.75	-	-
	Sep-20	-	-	5.40	-	-
	2020-21	-	-	62.22	-	-
	2019-20	-	-	145.36	-	-
	2018-19	-	-	115.43	-	-

*Terms of financial arrangement-The unsecured loan was given at the rate of interest of 15%, for working capital which was repayable on demand.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

III. Outstanding receivables

Particulars	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Enterprises in which KMP / Relatives of KMP are able to exercise significant influence (Metro Shoes)					
Rent	-	0.12	0.04	0.04	-

IV. Outstanding payables

Particulars	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
Key Management Personnel					
Compensation in respect of concession agreements for showrooms					
Rafique Malik	-	-	(0.56)	(0.43)	(0.76)
Aziza Malik	-	-	(1.25)	(1.04)	(1.72)
Remuneration #					
Rafique Malik	-	(0.97)	(6.36)	-	(20.33)
Farah Malik Bhanji	-	(0.49)	(3.09)	-	(8.58)
Aziza Malik	-	(0.35)	(2.47)	-	(6.16)
Nissan Joseph	-	-	-	-	-
Kaushal Parekh	-	-	(1.36)	-	-
Mohammed Iqbal hasanally Dossani	-	-	(0.39)	-	-
Tarannum Bhanpurwala	-	-	(0.07)	-	-
J. J Desai	-	(0.51)	-	-	(5.39)
Subhash Malik	-	(0.16)	-	-	(0.55)
ESOP outstanding					
Subhash Malik	-	(0.15)	-	(0.15)	(0.15)
Relatives of Key Management Personnel					
Remuneration #					
Alisha Malik	-	(0.11)	(0.68)	-	(1.46)
Retainership Fees					
Mumtaz Jaffer	-	-	-	(0.28)	(0.35)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise					
Commission in respect of retail agency agreements for showroom					
Metro Shoes	-	-	(1.46)	(1.58)	(2.16)
Security Deposit for Compensation in respect of rent for office					
Metro Shoes	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)
Professional Fees (capital cost)					
Design Matrix Interiors LLP	(1.83)	(1.24)	(2.16)	(2.88)	(2.57)
Design Matrix Associated Private Limited	-	-	-	-	(0.04)
Joint Venture					
Purchases of Stock-in-trade	(62.60)	(59.39)	(65.33)	(64.38)	(52.45)

excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company

Note:

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

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

V. Details of transactions eliminated during the period/year ended September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31,2019

Sr no.	Name of the Related Party	Nature of Transactions	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
			Transaction for the period	Transaction for the period	Transaction for the period	Transaction for the period	Transaction for the period
1.	Metmill Footwear Private Limited	Sale of products (Traded Goods) - Footwear, Bags and Accessories	18.68	344.32	368.50	995.2	814.62
		Sale of Service (Commission & Expense Recoveries)	-	0.93	0.92	7.24	-
		Interest expense on Loan taken	(0.88)	(1.11)	(2.23)	(2.23)	(2.23)

VI. Details of balances eliminated during the period/year ended September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31,2019

Sr no.	Name of the Related Party	Nature of Transactions	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
			Outstanding for the six months period	Outstanding for the six months period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1.	Metmill Footwear Private Limited	Trade Receivables	-	-	-	109.43	55.42
		Trade Payables	(22.49)	(86.61)	(44.64)	-	-
		Loan *	-	(14.83)	(14.83)	(14.83)	(14.83)
		Interest accrued on loan taken	-	(0.51)	-	(0.50)	-

*Terms of financial arrangement-The unsecured loan was given at the rate of interest of 15%, for working capital which was repayable on demand.

VII. Details of Investment eliminated during the period/year ended September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31,2019

Sr no.	Name of the Related Party	Nature of Transactions	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
			Outstanding for the six months period	Outstanding for the six months period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1.	Metmill Footwear Private Limited	Investment in Equity	1.28	1.28	1.28	1.28	1.28

VIII. Details of contingent liability eliminated during the period/year ended September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31,2019

Sr no.	Name of the Related Party	Nature of Transactions	As at September 30, 2021	As at September 30, 2020	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019
			Outstanding for the six months period	Outstanding for the six months period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1.	Metmill Footwear Private Limited	Guarantee given to bank by Metro Brands Limited (formerly Metro Shoes Ltd.) on behalf of Metmill Footwear Private Limited	-	250.00	250.00	250.00	250.00

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Consolidated Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

29 The Group's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products, the disclosure of segment-wise information is not applicable under Ind AS 108- 'Operating Segments'. Further, there is no geographical segment to be reported since all the operations are undertaken in India.

30 **Leases**

Right to Use Asset

Particulars	Amount
Balance as at April 1, 2018	3,041.78
Additions	1,409.05
Deletion	(38.01)
Amortisation expense for the year	(710.46)
Balance as at March 31, 2019	3,702.36
Ind AS 116 transition adjustments (refer part B- Summary of restatement adjustments)	63.52
Balance as at April 01, 2019	3,765.88
Additions	2,049.67
Deletion	(108.45)
Amortisation expense for the year	(882.15)
Balance as at March 31, 2020	4,824.95
Additions	1,311.70
Deletion	(215.26)
Amortisation expense for the year	(925.37)
Balance as at March 31, 2021	4,996.02

For the interim period reported

Particulars	Amount
Balance as at March 31, 2020	4,824.95
Additions	226.56
Deletion	(78.35)
Amortisation expense for the period	(469.48)
Balance as at September 30, 2020	4,503.68

Balance as at March 31, 2021	4,996.02
Additions	821.45
Deletion	(49.52)
Amortisation expense for the period	(504.61)
Balance as at September 30, 2021	5,263.34

Lease Liabilities

Particulars	Amount
Balance as at April 1, 2018	3,411.31
Additions during the year	1,361.07
Deletions during the year	(45.87)
Interest during the year	332.39
Lease payment during the year	(913.27)
Balance as at March 31, 2019	4,145.63
Ind AS 116 transition adjustments (refer PART B- Summary of restatement adjustments)	59.55
Balance as at April 01, 2019	4,205.18
Additions during the year	2,030.26
Deletions during the year	(123.64)
Interest during the year	387.74
Lease payment during the year	(1,123.85)
Balance as at March 31, 2020	5,375.69
Additions during the year	1,291.32
Deletions during the year	(258.04)
Interest during the year	430.30
Lease payment during the year	(665.46)
Reduction in lease liability - Practical Expedient application (Refer Note below)	(518.84)
Balance as at March 31, 2021	5,654.96

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 and 18th June 2021.

For the interim period reported

Particulars	Amount
Balance as at March 31, 2020	5,375.69
Additions during the period	225.11
Deletions during the period	(97.22)
Interest during the period	214.92
Lease payment during the period	(233.36)
Reduction in lease liability - Practical Expedient application (Refer Note below)	(369.42)
Balance as at September 30, 2020	5,115.72

Balance as at March 31, 2021	5,654.96
Additions during the period	820.37
Deletions during the period	(56.80)
Interest during the period	234.71
Lease payment during the period	(440.23)
Reduction in lease liability - Practical Expedient application (Refer Note below)	(200.65)
Balance as at September 30, 2021	6,012.36

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 and 18th June 2021.

Maturity analysis - contractual undiscounted cash flows

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Less than 1 year	1,269.03	1,149.33	1,181.41	1,201.89	1,001.49
1 - 5 Year	4,170.74	3,634.93	3,887.91	3,727.07	3,084.03
More than 5 years	2,606.86	2,231.22	2,667.37	2,445.32	1,379.40
Total undiscounted lease liabilities as at the end of the period/year	8,046.63	7,015.48	7,736.69	7,374.28	5,464.92
Lease Liabilities included in Financial statement as at the end of the period/year	6,012.36	5,115.72	5,654.96	5,375.69	133.08
Current	854.72	767.99	768.50	795.38	133.00
Non- Current	5,157.64	4,347.73	4,886.46	4,580.31	0.08

Amounts Recognised in Restated Statement of Profit & Loss

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on lease liabilities	234.71	214.92	430.30	387.75	332.39
Amortisation of ROU	504.61	455.87	925.37	882.15	710.46
Expenses relating to short term leases/Variable lease payments	139.66	55.65	240.58	339.31	382.93
Impairment Loss booked during the current period	-	10.29	10.29	-	-
Derecognition of Lease Liability during the current period/year	-	(11.39)	(11.39)	-	-
Total	878.98	725.34	1,595.15	1,609.21	1,425.78

Amounts Recognised in Restated Statement of Cash Flows

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Total Cash outflow for Leases	440.23	233.36	669.33	1,123.85	913.27

a. The Group has adopted Ind AS 116 effective April 1, 2019, using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and the (Right of Use) ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Accordingly, previous period information has not been restated.

The following is the summary of practical expedients elected on initial application by the Group:

In the statement of profit and loss for the year ended March 31, 2020, operating lease expenses which were recognised as other expenses in previous periods is now recognised as amortisation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 7.9%.

b. The Group incurred ₹ 139.66 Millions for the period ended September 30, 2021 (₹ 55.65 Millions for the six month period ended September 30, 2020, ₹ 240.58 Millions, for the year ended March 31, 2021, ₹ 333.91 Millions for the year ended March 31, 2020 & ₹ 382.93 Millions for the year ended March 31, 2019) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 440.23 Millions for the period ended September 30, 2021 (₹ 233.36 Millions for the six month period ended September 30, 2020, ₹ 669.33 Millions for the year ended March 31, 2021, ₹ 1,123.85 Millions for the year ended March 31, 2020 & ₹ 913.27 Millions for the year ended March 31, 2019) excluding cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 234.71 Millions for the period ended September 30, 2021 (₹ 214.92 Millions for the six month period ended September 30, 2020, ₹ 430.30 Millions for the year ended March 31, 2021, ₹ 387.75 Millions for the year ended March 31, 2020 & ₹ 332.39 Millions for the year ended March 31, 2019)

c. The Group's leases mainly comprise of showroom premises and warehouse premises.

31 The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting year. Based on such review, the Group had estimated the useful life of leasehold improvements to be the period of lease or 10 years whichever is lower. As a result of the change in estimate, the amortisation expense charged to the Restated Statement of Profit and Loss in the year ended March 31, 2020 was higher by ₹ 65.98 Millions.

32 **Basic and Diluted Earnings per Share**

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit after tax as per Restated Statement of Profit and Loss attributable to equity share holders	430.74	(431.15)	646.19	1,605.75	1,527.31
Weighted average number of Equity Shares:					
- Basic	265,534,290	265,534,290	265,534,290	265,534,290	265,534,290
Add: Effect of Potential Equity Shares on employees stock options outstanding	83,421	96,566	79,202	96,566	96,566
- Diluted	265,617,711	265,630,856	265,613,492	265,630,856	265,630,856
Earnings per Share (in ₹)					
- Basic	1.62	(1.62)	2.43	6.05	5.75
- Diluted	1.62	(1.62)	2.43	6.05	5.75

Notes :

- The equity shares of the Company, during the year ended March 31, 2021, have been sub-divided from existing face value of ₹ 10/- per equity share to face value of ₹ 5/- per equity share.
- The EPS is not annualised for the six month period ended September 30, 2021 and September 30, 2020.

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

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

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

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

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

Particulars	ESOP
Eligibility	A permanent employee or a director of the Group (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Group.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period for options granted	The Group originally authorized 15,000 options for issue to eligible employees. In December, 2008, the same were increased to 45,000 options consequent to issue of bonus shares in the ratio 2:1 On 24th August, 2009, the Group granted 25,875 options to fourteen eligible employees. The vesting schedule for the options granted was 40% on September 15, 2009, 20% on September 15, 2010, 20% on September 15, 2011, and 20% on September 15, 2012. Further, on September 15, 2011 the Group granted 4,500 options to four eligible employees. The vesting schedule for the options granted in 2011 was 40% on September 15, 2012, 20% on September 15, 2013, 20% on September 15, 2014 and 20% on September 15, 2015. In November, 2012, outstanding options increased by 26,270 options consequent to issue of bonus shares in the ratio 2:1 Further, on February 1, 2014 the Group granted 11,250 options to three eligible employees. The vesting schedule for the options granted in 2014 was 40% on February 1, 2016, 20% on February 1, 2017, 20% on February 1, 2018 and 20% on February 1, 2019. Further, on April 1, 2014 the Group granted 3,375 options to one eligible employee. The vesting schedule for the options granted in 2014 was 40% on April 1, 2015, 20% on April 1, 2016, 20% on April 1, 2017 and 20% on April 1, 2018. During the financial year 2018-19, some of the option holders exercised their options on various dates and in total were allotted 37,695 shares. Further, during the financial year 2018-19, in total 62,120 bonus options were issued in the ratio of 8:1.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of three years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Thirty days following the date of grantee's voluntary resignation (c) 3 months following the date of grantee's termination of employment due to grantee's retirement, disability or death (d) 6 months following the occurrence of change of control.
Method of Settlement	Equity Shares of face value ₹ 5/- each (September 30, 2020 - Equity Shares of face value ₹ 10/- each , March 31, 2021 - Equity Shares of face value ₹ 5/- each, March 31, 2020 & March 31, 2019- Equity Shares of face value ₹ 10/- each)
Exercise Price	Weighted average exercise price for 85,500 (September 30, 2020 - 54,900, March 31, 2021 - 85,500, March 31, 2020 & March 31, 2019 - 54,900) stock options outstanding as at 30th September, 2021 is ₹ 9.50 (30th September, 2020 is ₹ 17.46, 31st March, 2021 is ₹ 171.05, March 31, 2020 & March 31, 2019 - ₹ 157.17)

b) The particulars of number of options granted and lapsed and the Price of Stock Options for ESOP 2008 are as follows:

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Options outstanding at the beginning	85,500	54,900	54,900	54,900	30,475
On issue of bonus shares	-	-	-	-	62,120
Lapsed during the period/year	-	-	(12,150)	-	-
Exercised during the period/year #	-	-	-	-	(37,695)
On account of split of shares	-	-	42,750	-	-
Options outstanding at the end	85,500	54,900	85,500	54,900	54,900

22,710 shares were issued pre bonus and 14,985 shares were issued post bonus during the financial year ended March 31, 2019.

c) The following options were outstanding as at September 30, 2021, September 30, 2020, March 31, 2021, March 31, 2020 and March 31, 2019

Options series	Number					Grant date	Expiry date	Exercise price					Fair value of option at grant date				
	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019			As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Grant 1	60,750	42,525	60,750	42,525	42,525	24-Aug-09	2 years from the date of listing of Company's share in any recognised stock Exchange	6.02	12.04	6.02	12.04	12.04	4.47	8.94	4.47	8.94	8.94
Grant 2	24,750	12,375	24,750	12,375	12,375	15-Sep-11	2 years from the date of listing of Company's share in any recognised stock Exchange	18.06	36.11	18.06	36.11	36.11	9.70	19.39	9.70	19.39	19.39

d) On September 29 2021, the Company granted 1,878,302 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.

Summary of stock options

Options outstanding on March 31, 2021	-
Options granted during the period	1,878,302
Options forfeited/ lapsed during the period	-
Options exercised during the year	-
Options outstanding on September 30, 2021	1,878,302

Information in respect of options outstanding as at September 30, 2021

Range of exercise price:	Number of options	Weighted average remaining life
Rs. 228	1,878,302	5.00

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

Grant date	No. of years vesting	Fair value per option (Rs.)
September 29 2021	5 years	74.91
September 29 2022	5 years	83.17
September 29 2023	5 years	91.73
September 29 2024	5 years	115.36
September 29 2025	5 years	121.53

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

Grant dated : September 29 2021 (5 years vesting)	
Risk free interest rate (%)	4.98% - 6.04%
Expected life / Time to Maturity (years)	3.50 - 7.50
Expected Volatility	38.2% - 43.6%
Expected dividend yield (%)	0.66%
Exercise price (Rs.)	228
Stock price (Rs.)	228.18

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes Rs. 4.12 lakhs (2020: Rs. NIL) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

34 Expenditure on Corporate Social Responsibility

- a) Gross Amount required to be spent by the Group during the period ended September 30, 2021 : ₹ 17.32 Millions (for the six month period ended September 30, 2020 : ₹ 22.92 Millions, for the year ended March 31, 2021 (as certified by the Company) : ₹ 43.24 Millions, for the year ended March 31 ,2020 ₹ 39.28 Millions & for the year ended March 31 ,2019 ₹ 32.78 Millions).
- b) Amount spent during the period ended September 30 ,2021 ₹ 20.23 Million (for the six month period ended September 30 ,2020 ₹ 6.15 Millions, for the year ended March 31, 2021 :₹ 24.06 Millions, for the year ended March 31 ,2020 ₹ 21.68 Millions & for the year ended March 31 ,2019 ₹ 13.55 Millions), other than for construction/acquisition of any asset.

(a) Holding Company

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) amount required to be spent by the company during the period/year,	16.19	20.32	40.64	36.80	30.76
(ii) amount of expenditure incurred. (Refer Note below)	20.23	6.15	21.41	18.48	11.45
(iii) shortfall at the end of the period/year,	(15.19)	(14.17)	(19.23)	(18.32)	(19.31)
(iv) total of previous periods/years shortfall, (Refer Note below)	(19.23)	-	Not Applicable	Not Applicable	Not Applicable
(v) reason for shortfall, The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013. Shortfall for the previous year ended March 31, 2021 has been paid during the period ended September 30,2021					
(vi) nature of CSR activities, (a) Good health and well being (b) Education (c) Food Support (d) Footwear distribution to needy	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, (viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year shall be shown separately	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Note: Amount of expenditure incurred for the period ended September 30,2021 includes Rs 19.23 Millions spent towards shortfall for the period ended March 31, 2021.

(b) Subsidiary

Particulars	For the six month period ended September 30, 2021	For the six month period ended September 30, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) amount required to be spent by the company during the period/year,	1.14	2.60	2.60	2.48	2.01
(ii) amount of expenditure incurred,	-	-	2.65	3.20	2.10
(iii) excess/(shortfall) at the end of the period/year	(1.14)	(2.60)	0.05	0.72	0.09
(iv) total of previous periods/years (shortfall)/excess,	0.05	-	Not Applicable	Not Applicable	Not Applicable
(v) reason for shortfall, The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013.					
(vi) nature of CSR activities, (a) Good health and well being (b) Education	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, (viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year shall be shown separately	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

35 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

a) As on and for the six month period ended September 30, 2021

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in restated profit or loss		Share in restated other comprehensive income		Share in restated total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	4	5	4	5
Parent								
METRO BRANDS LIMITED (formerly known as "Metro Shoes Limited")	96.24%	8,155.78	58.59%	399.55	43.25%	8.09	58.18%	407.64
Subsidiary - Indian								
Metmill Footwear Private Limited	5.15%	436.33	2.90%	19.81	(2.71%)	(0.51)	2.75%	19.30
Non controlling Interests in the subsidiary	2.52%	213.78	(2.26%)	(15.42)	1.35%	0.25	(2.16%)	(15.16)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	(0.04%)	(0.25)	(0.82%)	(0.15)	(0.06%)	(0.40)
CFS Adjustments and eliminations	(2.26%)	(191.71)	1.70%	11.63	-	-	1.66%	11.63
Total	101.65%	8,614.18	60.90%	415.32	41.07%	7.68	60.37%	423.00

b) As on and for the six month period ended September 30, 2020

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in restated profit or loss		Share in restated other comprehensive income		Share in restated total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	4	5	4	5
Parent								
METRO BRANDS LIMITED (formerly known as "Metro Shoes Limited")	83.60%	7,084.32	(49.71%)	(339.05)	114.87%	21.49	(45.32%)	(317.55)
Subsidiary - Indian								
Metmill Footwear Private Limited	5.68%	481.62	(5.41%)	(36.92)	(3.40%)	(0.64)	(5.36%)	(37.56)
Non controlling Interests in the subsidiary	2.33%	197.50	5.40%	36.86	1.64%	0.31	5.30%	37.16
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	(2.48%)	(16.88)	(0.52%)	(0.10)	(2.42%)	(16.98)
CFS Adjustments and eliminations	(3.12%)	(264.57)	(5.61%)	(38.29)	0.00%	-	(5.46%)	(38.29)
Total	88.49%	7,498.87	(57.81%)	(394.29)	112.60%	21.07	(53.26%)	(373.22)

c) As on and for the year ended March 31, 2021

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in restated profit or loss		Share in restated other comprehensive income		Share in restated total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	4	5	4	5
Parent								
METRO BRANDS LIMITED (formerly known as "Metro Shoes Limited")	94.95%	8,046.46	106.34%	725.25	101.08%	18.91	106.20%	744.16
Subsidiary - Indian								
Metmill Footwear Private Limited	4.92%	417.04	(14.90%)	(101.61)	(2.71%)	(0.51)	(14.57%)	(102.12)
Non controlling Interests in the subsidiary	2.34%	198.62	5.25%	35.80	1.33%	0.25	5.14%	36.05
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	(0.88%)	(5.98)	0.30%	0.06	(0.85%)	(5.92)
CFS Adjustments and eliminations	(2.22%)	(187.79)	4.18%	28.54	0.00%	-	4.07%	28.54
Total	100.00%	8,474.33	100.00%	681.99	100.00%	18.71	100.00%	700.70

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d) As on and for the year ended March 31, 2020

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in restated profit or loss		Share in restated other comprehensive income		Share in restated total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	4	5	4	5
Parent								
METRO BRANDS LIMITED (formerly known as "Metro Shoes Limited")	93.89%	7,800.18	222.70%	1,518.79	23.41%	4.38	217.38%	1,523.17
Subsidiary - Indian								
Metmill Footwear Private Limited	6.25%	519.16	13.57%	92.57	11.33%	2.12	13.51%	94.69
Non controlling Interests in the subsidiary	2.82%	234.66	(5.64%)	(38.47)	(5.56%)	(1.04)	(5.64%)	(39.51)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	1.24%	8.46	(0.48%)	(0.09)	1.19%	8.37
CFS Adjustments and eliminations	(2.97%)	(246.44)	(2.06%)	(14.07)	0.00%	-	(2.01%)	(14.07)
Total	100.00%	8,307.56	229.81%	1,567.28	28.70%	5.37	224.44%	1,572.65

e) As on and for the year ended March 31, 2019

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in restated profit or loss		Share in restated other comprehensive income		Share in restated total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	4	5	4	5
Parent								
METRO BRANDS LIMITED (formerly known as "Metro Shoes Limited")	93.75%	6,275.13	95.50%	1,411.69	96.77%	(7.79)	95.50%	1,403.90
Subsidiary - Indian								
Metmill Footwear Private Limited	6.34%	424.47	6.90%	102.04	4.97%	(0.40)	6.91%	101.64
Non controlling Interests in the subsidiary	2.92%	195.48	(3.33%)	(49.16)	(2.24%)	0.18	(3.33%)	(48.98)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	0.30	1.04%	15.30	0.50%	(0.04)	1.04%	15.26
CFS Adjustments and eliminations	(3.01%)	(201.56)	(0.12%)	(1.72)	0.00%	-	(0.12%)	(1.72)
Total	100%	6,693.81	100%	1,478.15	100%	(8.05)	100%	1,470.10

36 Subsidiary and Joint Venture

(a) The subsidiary considered in the preparation of these Restated Consolidated Financial Information is:

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group				
			As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Metmill Footwear Private Limited	Wholesale of Footwear	India	51%	51%	51%	51%	51%

(b) Disclosure of Non-Controlling Interests

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year/period	198.63	234.67	234.67	195.16	146.46
Impact on account of adoption of IND AS 116	-	-	-	-	(0.28)
Share in Total Comprehensive Income	15.17	(37.17)	(36.04)	39.51	48.98
Balance at the end of the year/period	213.80	197.50	198.63	234.67	195.16

(c) Investment in Joint Venture

(i) Details and financial information of the Joint venture

Details of the Group's joint venture at the end of the reporting period is as follows:

Name of Joint Venture	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group				
			As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
M.V. Shoe Care Private Limited	Manufacturing of shoe care and foot care products	India	49%	49%	49%	49%	49%

37 Financial Instruments

37.1 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.

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity					
Equity Share Capital	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
Other Equity	7,072.71	5,973.70	6,948.03	6,745.22	5,170.99
Non Controlling Interests	213.80	197.50	198.63	234.67	195.16
Total Equity	8,614.18	7,498.87	8,474.33	8,307.56	6,693.82
Total Debt	9.27	74.64	14.06	115.79	98.96
Debt Equity Ratio	0.1%	1.0%	0.2%	1.4%	1.5%

37.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

Particulars	Hierarchy Level	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Financial Assets						
Measured at fair value through profit or loss						
- Investments in mutual funds	Level 2	2,918.25	2,596.15	3,570.39	3,171.16	1,903.08
- Investments in Bonds	Level 1	225.45	209.60	216.71	104.14	-
Measured at amortised cost						
- Trade receivables #	Level 2	695.72	701.17	505.51	701.28	519.27
- Cash and cash equivalents #	Level 2	193.72	99.90	263.16	104.95	115.26
- Other Bank balances #	Level 2	772.31	154.02	616.08	3.89	5.65
- Loans #	Level 2	16.61	12.89	18.79	19.15	13.74
- Other financial assets #	Level 2	626.70	472.66	563.97	462.97	380.22
Measured at fair value through Other Comprehensive Income						
- Investments in Bonds	Level 1	136.02	138.69	136.59	129.30	124.62
Financial Liabilities						
Measured at amortised cost						
- Trade payables #	Level 2	2,355.40	1,705.78	2,046.53	2,014.60	1,939.45
- Borrowings #	Level 2	9.27	74.65	14.06	115.23	98.64
- Other financial liabilities #	Level 2	142.13	144.52	144.55	186.54	133.00
- Lease Liabilities #	Level 2	6,012.36	5,115.72	5,654.96	5,375.69	4,145.63

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

37.3 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 as at					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 September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019				
Investments in Mutual funds	2,918.26	2,596.15	3,570.39	3,171.16	1,903.08	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in bonds	361.46	348.29	353.30	233.44	124.62	Level 1	Active market determined	NA	NA

37.4 Financial Risk Management

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

A) CREDIT RISK

i) Credit Risk Management:

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

ii) Trade and other receivables:

The Group's retail business is predominantly on cash and carry basis. The Group sells goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 12.74% of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. The Group has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Group by credit worthiness checks. As at 30th September, 2021, the Group had 4 customers (as at 30th September, 2020 : 3 customers, as at 31st March, 2021 : 6 customers, as at 31st March, 2020 : 5 customers, as at 31st March, 2019 : 6 customers) that accounted for approximately 86.27% (as at 30th September, 2020 : 74.90 %, as at 31st March, 2021 : 81%, as at 31st March, 2020 : 81%, as at 31st March, 2019 : 58%) 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.

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

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.

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2) Maturity of financial liabilities

The table below analyse the Group's financial liabilities in to relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Carrying amounts
As at 31st March, 2019					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	1,939.45	-	-	-	1,939.45
Lease Liabilities	1,001.49	1,754.69	1,329.34	1,379.40	5,464.92
Others	133.00	-	-	-	133.00
Interest bearing:					
Borrowings	98.64	-	-	-	98.64
As at 31st March, 2020					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	2,014.60	-	-	-	2,014.60
Lease Liabilities	1,201.89	2,091.46	1,635.61	2,445.32	7,374.28
Others	186.54	-	-	-	186.54
Interest bearing:					
Borrowings	115.23	-	-	-	115.23
As at 31st March, 2021					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	2,046.53	-	-	-	2,046.53
Lease Liabilities	1,181.41	2,139.92	1,747.99	2,667.37	7,736.69
Others	144.55	-	-	-	144.55
Interest bearing:					
Borrowings	14.06	-	-	-	14.06

For the interim Period reported

As at 30th September, 2020					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	1,705.78	-	-	-	1,705.78
Lease Liabilities	1,149.33	2,033.41	1,601.52	2,231.22	7,015.48
Others	144.52	-	-	-	144.52
Interest bearing:					
Borrowings	74.65	-	-	-	74.65
As at 30th September, 2021					
Non- derivative financial liabilities					
Non interest bearing:					
Trade Payables	2,355.40	-	-	-	2,355.40
Lease Liabilities	1,271.24	2,292.20	1,878.54	2,606.86	8,048.84
Others	142.13	-	-	-	142.13
Interest bearing:					
Borrowings	9.27	-	-	-	9.27

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

Undrawn financing facilities	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Secured working capital facilities					
Amount Used	-	58.40	-	101.18	84.50
Amount Unused*	389.80	291.60	350.00	248.82	265.50
Total	389.80	350.00	350.00	350.00	350.00
Letter of Credit (Unfunded)					
Amount used	19.85	2.19	17.41	14.90	4.72
Amount unused	80.15	97.81	82.59	85.10	95.28
Total	100.00	100.00	100.00	100.00	100.00

*Of the above Rs.2000 Millions has been secured by a charge on Company's book debts, inventory, receivables, cash flows, and all current assets including cash-in-hand.

C) MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency risk,

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

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. Interest rate sensitivity analysis shows that an increase / decrease of fifty basis points in floating interest rates would result in decrease / increase in Group's profit before tax by approximately ₹ 0.23 Millions (September 30,2020 : ₹ 0.33 Millions March 31,2021: ₹ 0.23 Millions , March 31,2020: ₹ 0.33 Millions , March 31,2019: ₹. 0.21 Millions).

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Interest on Secured Working capital limit	-	3.30	3.56	5.53	3.83
Interest Rate	7.60%	7.30%	7.60%	8.40%	8.95%
Interest amount per 50 basis point fluctuation	-	0.23	0.23	0.33	0.21

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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 reporting period expressed in and USD(\$), is as follows

Particulars	As at September 30, 2021		As at September 30, 2020		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	₹ in Millions	USD(\$) in Millions	₹ in Millions	USD(\$) in Millions	₹ in Millions	USD(\$) in Millions	₹ in Millions	USD(\$) in Millions	₹ in Millions	USD(\$) in Millions
Trade Payables	3.52	0.05	5.72	0.08	1.11	0.02	19.47	0.26	9.39	0.14
Buyer's Credit	9.27	0.13	2.19	0.03	-	-	-	-	-	-
Advance to Supplier	(3.54)	(0.05)	-	-	-	-	-	-	-	-

Sensitivity:

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
USD sensitivity					
₹/USD -Increase by 1% #	(0.09)	(0.08)	(0.01)	(0.19)	(0.09)
₹/USD -Decrease by 1% #	0.09	0.08	0.01	0.19	0.09

Holding all other variables constant

38 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
The principal amount remaining unpaid to any supplier at the end of the accounting period/year	52.49	2.33	21.99	17.41	15.42
The Interest due on the principal amount remaining unpaid to any supplier at the end of the accounting period/year	0.16	0.01	0.04	-	0.31
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 accounting period/year	12.33	8.93	11.96	7.77	13.78
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 this Act	-	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year/period	-	-	0.02	0.01	0.31
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.18	0.01	0.03	-	-

39 COVID-19 impact

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the year were impacted due to COVID-19. The Group has made detailed assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, right of use assets, inventories, receivables and other current assets as at the period end and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. Given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the Group's Restated Consolidated Financial Information will be continuously made and provided for as required. The impact of COVID-19 on the Restated Consolidated Financial Information may differ from that estimated as at the date of approval of these Restated Consolidated Financial Information owing to the nature and duration of COVID-19.

40 Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Current Assets	8,939.58	7,296.40	8,579.02	8,316.76	6,651.54
Current Liabilities	3,602.56	2,842.69	3,226.26	3,280.79	3,038.53
Ratio	2.48	2.57	2.66	2.53	2.19
% Change from previous period/year	(7%)	1%	5%	16%	

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total debt	9.27	75.76	14.06	115.79	98.96
Total equity	8,614.18	7,498.87	8,474.33	8,307.56	6,693.81
Ratio	0.00	0.01	0.00	0.01	0.01
% Change from previous period / year	0%	0%	(100%)	0%	

Reason for change more than 25%:

This ratio has decreased from 0.01 in March 2020 to 0.00 in March 2021. This is mainly due to repayment of cash credit facility.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Earnings available for debt services	1,121.63	(112.87)	1,727.70	3,541.53	3,365.03
Total interest and principal repayments	10.32	80.67	20.31	123.53	105.10
Ratio	108.71	(1.40)	85.05	28.67	32.02
% Change from previous period/year	28%	(105%)	197%	(10%)	

Reason for change more than 25%:

Due to outbreak of COVID 19 & nationwide lockdown, there was a reduction in sales resulting in lower net profit as compare to previous period.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Restated Net profit after tax*	430.74	(431.15)	646.19	1,605.75	1,527.31
Total equity	8,614.18	7,498.87	8,474.33	8,307.56	6,693.81
Ratio	0.05	(0.06)	0.08	0.19	0.23
Change in basis points (bps) from previous period					
% Change from previous period/year	(34%)	(130%)	(61%)	(15%)	

*Profit after tax for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 0.08 in March 2021 to 0.05 in September 2021. This is mainly due to reduction in net profit on account of reduced sales due to COVID 19 pandemic. During the first three months of the reporting period many of the showrooms remained closed on account of lockdown imposed by various state government negatively impacting the Group sales.

This ratio has decreased from 0.19 in March 2020 to (0.06) in September 2020. This is mainly due to reduction in net profit on account of reduced sales due to COVID 19 pandemic. During the first three months of the reporting period most of the showrooms remained closed on account of nationwide lockdown negatively impacting the Group sales.

This ratio has decreased from 0.19 in March 2020 to 0.08 in March 2021. This is mainly due to reduction in net profit on account of reduced sales due to COVID 19 pandemic. During the first three months of the reporting period most of the showrooms remained closed on account of nationwide lockdown negatively impacting the Group sales.

40 Ratios as per the Schedule III requirements

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cost of goods sold*	1,960.05	880.54	3,604.78	5,706.63	5,487.34
Closing Inventory	3,386.36	3,106.83	2,897.55	3,761.31	3,646.15
Inventory Turnover Ratio	0.58	0.28	1.24	1.52	1.50
% Change from previous period / year	(53%)	(81%)	(18%)	1%	

*Cost of goods sold for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 1.24 in March 2021 to 0.58 in September 2021. This is mainly due to reduction in sales and corresponding reduction in cost of goods sold. Further in September 2021 the closing inventory level also increased as compare to March 2021 on account of increase in number of showrooms from 586 to 598 and business operations returning to normalcy.

This ratio has decreased from 1.52 in March 2020 to 0.28 in September 2020. This is mainly due to reduction in sales and corresponding reduction in cost of goods sold due to COVID 19 pandemic.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Credit Sales*	240.93	558.55	650.44	1,147.63	911.07
Closing Trade Receivables	763.90	254.45	205.55	78.90	470.66
Ratio	0.32	2.20	3.16	14.55	1.94
% Change from previous period/year	(90%)	(85%)	(78%)	651%	

* Credit sales for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 3.16 in March 2021 to 0.32 in September 2021 mainly due to reduction in sales during the period on account of Covid 19. Further trade receivable as at period end were higher due to increase in E-commerce sales during this period.

This ratio has decreased from 14.55 in March 2020 to 2.20 in September 2020 mainly due to reduction in sales during the period on account of Covid 19. Further trade receivable as at period end were higher due to increase in E-commerce sales during this period.

This ratio has decreased from 14.55 in March 2020 to 3.16 in September 2020 mainly due to reduction in sales during the period on account of Covid 19. Further trade receivable as at period end were higher due to increase in E-commerce sales during this period.

This ratio has increased from 1.94 in March 2019 to 14.55 in March 2020 mainly due to increase in credit in sales during the period on account of Covid 19. Further trade receivable as at period end were lower due to faster recoverability in E-commerce sales during this period.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Credit Purchases*	2,448.86	226.04	2,741.02	5,821.79	6,339.39
Closing Trade Payables	2,355.40	1,705.78	2,046.53	2,014.60	1,939.45
Ratio	1.04	0.13	1.34	2.89	3.27
% Change from previous period/year	(22%)	(95%)	(54%)	(12%)	

* Credit purchase for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 2.89 in March 2020 to 0.13 in September 2020 mainly due to reduced purchase considering lower demand on account of Covid 19 and efficient vendor management.

This ratio has decreased from 2.89 in March 2020 to 1.34 in March 2021 mainly due to reduced purchase considering lower demand on account of Covid 19 and efficient vendor management.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Sales*	4,560.02	1,765.44	8,000.57	12,851.63	12,170.65
Current Assets (A)	8,939.58	7,296.40	8,579.02	8,316.76	6,651.54
Current Liabilities (B)	3,602.56	2,842.69	3,226.26	3,280.79	3,038.53
Net Working Capital (C)= (A-B)	5,337.02	4,453.71	5,352.76	5,035.97	3,613.01
Ratio	0.85	0.40	1.49	2.55	3.37
% Change from previous period/year	(43%)	(84%)	(41%)	(24%)	

* Sales for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 1.49 in March 2021 to 0.85 in September 2021 mainly due to reduction in sale on account of Covid 19.

This ratio has decreased from 2.55 in March 2020 to 0.40 in September 2020 mainly due to reduction in sale on account of Covid 19.

This ratio has decreased from 2.55 in March 2020 to 1.49 in March 2021 mainly due to reduction in sale on account of Covid 19.

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Restated Net profit after tax*	430.74	(431.15)	646.19	1,605.75	1,527.31
Revenue from operation	4,560.02	1,765.44	8,000.57	12,851.62	12,170.65
Ratio	0.09	(0.24)	0.08	0.12	0.13
Change in basis points (bps) from previous period / year					
% Change from previous period	17%	(295%)	(35%)	-0.44%	

* Net profit after tax for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

This ratio has decreased from 0.12 in March 2020 to (0.24) in September 2020 mainly due to reduction in net profit on account of lower sales due to COVID 19 pandemic.

This ratio has decreased from 0.12 in March 2020 to 0.08 in September 2020 mainly due to reduction in net profit on account of lower sales due to COVID 19 pandemic.

40 Ratios as per the Schedule III requirements

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

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Restated Net Profit after tax* (A)	430.74	(431.15)	646.19	1605.75	1527.31
Finance Costs* (B)	235.76	219.83	436.55	395.49	338.52
Total Tax Expense* (C)	128.87	(26.04)	192.88	586.88	769.27
EBIT (D) = (A)+(B)+(C)	795.37	(237.36)	1275.62	2588.12	2635.10
Capital Employed (G)=(E)-(F)	13,793.50	11,868.72	13,367.14	12,893.44	10,176.53
Total Assets (E)	17,396.06	14,711.41	16,593.40	16,174.23	13,215.06
Total current liabilities (F)	3,602.56	2,842.69	3,226.26	3,280.79	3,038.53
Ratio (D)/(G)	0.06	(0.02)	0.10	0.20	0.26
Change in basis points (bps) from previous period/year					
% Change from previous period/year	(40%)	(110%)	(52%)	(22%)	

* Amount for the six months period ended September 30, 2021 and September 30, 2020 were not annualized.

Reason for change more than 25%:

The return on capital employed has reduced from 0.10 in March 21 to 0.06 in September 21 mainly due to decrease in Earnings before interest and taxes (EBIT) which is due to reduction in business on account of COVID 19 pandemic.

The return on capital employed has reduced from 0.20 in March 20 to (0.02) in September 20 mainly due to decrease in Earnings before interest and taxes (EBIT) which is due to reduction in business on account of COVID 19 pandemic.

The return on capital employed has reduced from 0.20 in March 20 to 0.10 in March 21 mainly due to decrease in Earnings before interest and taxes (EBIT) which is due to reduction in business on account of COVID 19 pandemic.

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Income from investment	109.27	125.93	211.08	184.67	153.92
closing balance of the investment	4,052.03	3,098.46	4,539.77	3,408.49	2033.35
Ratio	0.03	0.04	0.05	0.05	0.08
% Change from previous period/year	(42%)	(25%)	0%	(28%)	

Reason for change more than 25%:

Return on investment ratio had decreased from 0.05 in March 2021 to 0.03 in September 2021 as the company had invested funds in liquid and short duration funds to avoid any liquidity crunch during the COVID 19 period where daily cash sales had reduced.

Return on investment ratio had decreased from 0.05 in March 2020 to 0.04 in September 2020 as the company had invested funds in liquid and short duration funds to avoid any liquidity crunch during the COVID 19 period where daily cash sales had reduced.

Return on investment ratio had decreased from 0.08 in March 2019 to 0.05 in March 2020 as the company had invested funds in liquid and short duration funds to avoid any liquidity crunch during the COVID 19 period where daily cash sales had reduced.

The above Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

41 Details of transactions with companies struck off under section 248 of the Companies Act, 2013.

Name	Nature of transactions	Balance outstanding (Rs in lakhs)					Relationship
		As at September 30, 2021	As at September 30, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
Welcome Shoes Pvt.Ltd.	Payables	2.67	1.56	2.27	2.16	0.33	-
Unisol India Pvt. Ltd.	Payables	-	0.04	0.02	0.17	0.12	-
Focus Guarding Solutions Private Limited	Payables	-	-	-	-	0.02	-
Swift Property Services Private Limited	Payables/(Receivables)	-	-	0.02	-	-	-
Gene Textiles Trading and Consulting Private Limited	Payables	-	-	-	-	0.17	-

The above companies are struck off as per the MCA data as on 30th September 2021.

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

43 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.

44 The group have not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

45 The group has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods

46 There is no immovable property whose title deed is not held in the name of the group.

METRO BRANDS LIMITED (Formerly Metro Shoes Limited)
Notes forming part of the Restated Standalone Financial Information
(Amount in Rupees Millions except for share data or as otherwise stated)

- 47 There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- 48 The group had complied with the number of layers prescribed under clause e (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 49 The group have not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- 50 The working capital facility availed by the Company during the reporting periods does not have requirement to file the quarterly return or statement of current asset.
- 51 The Group do not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00521563

Nissan Joseph
Chief Executive Officer

Place: Mumbai
Date : November 10, 2021

Kaushal Parekh
Chief Financial Officer

Tarannum Bhanpurwala
Company Secretary
(Membership No. A42872)

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the year ended March 31, 2019	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2021	As at and for the six months ended September 30, 2021	As at and for the six months ended September 30, 2020
Restated profit after tax for the year (A) (₹ in million)	1,527.31	1,605.75	646.19	430.74	(431.15)
Weighted average number of equity shares for basic EPS (B)	265,534,290	265,534,290	265,534,290	265,534,290	265,534,290
Weighted average number of equity shares for diluted EPS (C)	265,630,856	265,630,856	265,613,492	265,617,711	265,630,856
Basic Earnings per share (in ₹) (D = A/B)	5.75	6.05	2.43	1.62	(1.62)
Diluted Earnings per share (in ₹) (E = A/C)	5.75	6.05	2.43	1.62	(1.62)
Restated net worth attributable to owners of the Company (A) (₹ in million)	6,498.66	8,072.89	8,275.70	8,400.38	7,301.37
Restated net profit/(loss) after tax attributable to owners of the Company (B) (₹ in million)	1478.15	1567.28	681.99	415.32	(394.29)
Return on net worth (C = B/A*100) (%)	22.75%	19.41%	8.24%	4.94%	(5.40%)
Restated net worth attributable to owners of the Company (A) (₹ in million)	6,498.66	8,072.89	8,275.70	8,400.38	7,301.37
Number of Equity Shares outstanding as on March 31, 2021 (B)	265,534,290	265,534,290	265,534,290	265, 534,290	265,534,290
Net asset value per equity share (in ₹) (C = A/B) (in ₹)	24.47	30.40	31.17	31.64	27.50
Restated profit after tax for the year (A) (₹ in million)	1,527.31	1,605.75	646.19	430.74	(431.15)
Tax expense (B) (₹ in million)	769.27	586.88	192.88	128.87	(26.04)
Exceptional Items (C) (₹ in million)	0	0	0	0	0
Finance costs (D) (₹ in million)	338.52	395.49	436.55	235.76	219.83
Depreciation and amortisation and Impairment (E) (₹ in million)	936.46	1,206.05	1,218.44	651.49	618.83
Other income (F)	198.30	259.06	784.81	332.66	515.10
EBITDA (A+B+C+D+E-F) (₹ in million)	3,373.26	3,535.11	1,709.25	1,114.20	(133.63)
Revenues from operations (₹ in million)	12,170.65	12,851.62	8,000.57	4,560.02	1,765.44
EBITDA / Revenues from Operations (%)	27.72%	27.51%	21.36%	24.43%	(7.57%)

The ratios have been computed as under:

- Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) post effect of sub-division of Equity Shares.
- Return on Net Worth ratio: Profit/ (loss) for the period attributable to owners of the Company divided by the Net-worth of the Company at the end of the year/period.
- Net-worth: Net-worth, as restated, means the aggregate value of the paid-up share capital, securities premium, general reserve, capital reserve, Employee stock options outstanding reserve, and retained earnings (including Other Comprehensive Income) attributable to owners of company as restated. For details in relation to the reconciliation of restated net worth, see “- Reconciliation of restated net worth and return on restated net worth” on page 279.
- Net Asset Value per equity share represents Net-worth as at the end of the fiscal year, as restated, divided by the number of Equity Shares outstanding as on March 31, 2021.

5. *EBITDA: Earnings before interest, taxes, depreciation and amortization expenses calculated as restated profit after tax for the year, plus total tax expense, exceptional items, finance costs and depreciation and amortization expenses, less other income.*

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Prospectus, return on net worth and net asset value per equity share are given below:

1. Reconciliation of restated net worth and return on restated net worth

(₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	As at and for the six months ended September 30, 2021	As at and for the six months ended September 30, 2020
Equity Share Capital as per Restated consolidated financial Information (I)	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
Other Equity as per Restated consolidated financial Information (II)	5,170.99	6,745.22	6,948.03	7,072.71	5,973.70
Restated net worth (III=I+II)	6,498.66	8,072.89	8,275.70	8,400.38	7,301.37
Restated net profit/(loss) after tax attributable to Owners of the Company (IV)	1,478.15	1,567.28	681.99	415.32	(394.29)
Return on restated net worth (V=IV/III) (in %)	22.75%	19.41%	8.24%	4.94%	(5.40%)

2. Reconciliation of net asset value per equity share

(₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	As at and for the six months ended September 30, 2021	As at and for the six months ended September 30, 2020
Equity share capital as per Restated Consolidated Financial Information (I)	1,327.67	1,327.67	1,327.67	1,327.67	1,327.67
Other equity as per Restated Consolidated Financial Information (II)	5,170.99	6,745.22	6,948.03	7,072.71	5,973.70
Restated net worth (III=I+II)	6,498.66	8,072.89	8,275.70	8,400.38	7,301.37
Number of Equity Shares outstanding as on March 31, 2021 (IV)	265,534,290	265,534,290	265,534,290	265,534,290	265,534,290
Net asset value per equity share (₹) (V=III/IV*10 ⁶)	24.47	30.40	31.17	31.64	27.50

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the years ended March 31, 2021, March 31, 2020, and March 31, 2019 and the reports thereon dated July 25, 2021, July 30, 2020 and July 8, 2019, respectively and the audited standalone financial statements of Metmill as at and for the years ended March 31, 2021, March 31, 2020, and March 31, 2019 and the reports thereon dated June 17, 2021, July 27, 2020 and July 5, 2019, respectively (“**Standalone Financial Statements**”) are available at <https://metrobrands.com/corporate-governance/>.

Our Company is providing a link to this website solely to comply with the requirements specified under the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the Book Running Lead Managers or Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For further details of the related party transactions, as per the requirements under applicable Indian Accounting Standards i.e. Ind AS 24 '*Related Party Transactions*' for the six months period ended September 30, 2021 and September 30, 2020 and years ended March 31, 2021, March 31, 2020, and March 31, 2019 as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 28 Related party disclosures as required by IND AS*" on page 256.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Financial Statements on page 211.

This Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Prospectus. For further information, see "Forward-Looking Statements" on page 19. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations" on pages 29 and 285, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2019, 2020 and 2021, included herein is derived from the Restated Consolidated Financial Information, included in this Prospectus. For further information, see "Financial Statements" on page 211. The information as of and for the six months ended September 30, 2020 and September 30, 2021 is not annualized.

Unless the context otherwise requires, in this section, references to "we", "us", or "our" refers to Metro Brands Limited on a consolidated basis and references to "the Company" or "our Company" refers to Metro Brands Limited on a standalone basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Assessment of organised retail and footwear industries in India" dated August 2021 with Addendum dated November 2021 (the "**CRISIL Report**"), prepared and issued by CRISIL Limited appointed on May 5, 2021, exclusively commissioned and paid for by our Company in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. A copy of the CRISIL Report is available on website of our Company at <https://metrobrands.com/corporate-governance/>. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Industry information included in this Prospectus has been derived from an industry report commissioned and paid for by our Company for such purpose on page 37. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 15.*

OVERVIEW

We are one of the largest Indian footwear speciality retailers, and are among the aspirational Indian brands in the footwear category (*Source: CRISIL Report*). We opened our first store under the Metro brand in Mumbai in 1955, and have since evolved into a one-stop shop for all footwear needs, by retailing a wide range of branded products for the entire family including men, women, unisex and kids, and for every occasion including casual and formal events. As of September 30, 2021, our Company operated 598 Stores (as defined below) across 136 cities spread across 30 states and union territories in India. We target the economy, mid and premium segments in the footwear market, which together are expected to grow at a higher rate compared to the total footwear industry between Fiscal 2020 and 2025. These segments have a higher presence of organised players and their growth in the overall footwear industry is expected to accelerate growth of the organized segment in the footwear industry (*Source: CRISIL Report*). Our Company had the third highest number of exclusive retail outlets in India, in Fiscal 2021 (*Source: CRISIL Report*). In Fiscal 2019, 2020, and 2021 and in the six months ended September 30, 2020 and September 30, 2021, we recorded an EBITDA Margin of 27.72%, 27.51%, 21.36%, (7.57)% and 24.43%, respectively (on a consolidated basis). For further information, see "*Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year*" on page 299. Our Company recorded a Realization per Unit i.e. revenue from Total Product Sales divided by volume of Total Product Sales, of ₹ 1,321.29, ₹ 1,345.80, ₹ 1,327.96, ₹ 1,279.85 and ₹ 1,381.27, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively. Our Company recorded the highest Realization per Unit compared to the two leading players in India from Fiscal 2019 to Fiscal 2021 and in Fiscal 2020 we recorded the highest operating margins among the key players in India. Additionally, in Fiscal 2021, we recorded the highest net profit margin

of 8.1% among footwear players having majorly retail business model for reaching customers. (Source: CRISIL Report)

We retail footwear under our own brands of Metro, Mochi, Walkway, Da Vinci and J. Fontini, as well as certain third-party brands such as Crocs, Skechers, Clarks, Florsheim, and Fitflop, which complement our in-house brands. We believe these brands have a pan-India appeal across regions. We also offer accessories such as belts, bags, socks, masks and wallets, at our stores. We also retail footcare and shoe-care products at our stores through our joint venture, M.V. Shoe Care Private Limited, making us a 'one-stop-shop' for all footwear and related accessories to our customers.

Our retail operations are carried out through our stores and distributors as well as through online channels. We primarily follow the "company owned and company operated" ("COCO") model of retailing through our own Multi Brand Outlets ("MBOs") and Exclusive Brand Outlets ("EBOs"), to better manage customer experience at our stores. We operate Metro, Mochi and Walkway branded MBOs and Crocs™ branded EBOs. Our Company and our Subsidiary Metmill also operate shop-in-shops ("SIS") in major departmental stores across India. We also distribute products of third-party brands through MetMill and retail products through franchisees. MBOs, EBOs, SIS, and franchisees, operated by our Company together referred to in this Prospectus as "Stores". In addition to our physical Stores, we provide an omni-channel experience to customers through our websites, various online marketplaces, as well as, social media platforms. All our brands are listed and are sold across various leading marketplaces for B2C and B2B operations. In Fiscal 2021, In-Store Product Sales, Online Product Sales, and Omni-Channel Product Sales represented 91.93%, 6.15%, and 1.09%, of our Company's revenue from operations, respectively (on a standalone basis) while in the six months ended September 30, 2021, In-Store Product Sales, Online Product Sales, and Omni-Channel Product Sales represented 87.17%, 8.90%, and 3.03%, of our Company's revenue from operations, respectively (on a standalone basis).

We strive to optimize our mix of in-house brands and third-party brands in our MBOs to drive customer footfalls, improve sales density and gross margins. Revenue from sale of in-house brands and third-party brands in our MBO stores represented 69.24% and 30.76% of our Company's revenue from MBOs in Fiscal 2021, respectively, while they represented 71.08% and 28.92% of our Company's revenue from MBOs in the six months ended September 30, 2021. We leverage our strong understanding of the retail footwear market and apply data analytics to develop and launch margin accretive in-house brands to meet evolving consumer trends. We carefully curate our merchandise keeping in mind regional preferences. Our wide range of brands allows us to operate across the economy (₹501 to ₹1,000), mid (₹1,001 to ₹3,000) and premium (more than ₹3,001) segments (Source: CRISIL Report). Our diversified business model provides us with synergies by spanning consumer segments, categories and distribution channels.

Our Company's total Store count has grown from 504 in 116 cities as of March 31, 2019 to 586 stores across 134 cities as of March 31, 2021 and to 598 stores across 136 cities as of September 30, 2021. We have a pan-India presence through our Store network in prominent high streets, malls and airports, spread across 30 states and union territories in India as of September 30, 2021 and have opened 127 new MBOs (including seven through franchises) and 110 new EBOs in the last three Fiscals and six months ended September 30, 2021. We are also in the process of strengthening our retail presence through franchisees for our Walkway brand. As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, our Company operated Stores with a total Retail Business Area of 643,442 sq. ft., 694,955 sq. ft., 720,994 sq. ft., 692,211 sq. ft. and 734,217 sq. ft., respectively.

We endeavour to drive our sales through a strong focus on product assortment – a Theory-of-Constraints ("TOC") method for our supply chain, offering greater availability and reducing stock-outs. This is coupled with an incentive-based remuneration system for our front-end and backend sales staff. We operate on an asset light model with third-party manufacturing through long-standing vendor relationships, optimum store size and layout, and long-term lease arrangements. We introduce new designs frequently through our vendor engagements based on our combined understanding of prevailing trends and regional sensitivity. To efficiently manage inventory for our wide range of products, we follow a pull model for product availability at our stores where product placement is led by a demand driven inventory replenishment method. This helps us ensure optimum inventory management and accessibility to the latest products. Our business is consumer-centric and we have loyalty programs for our customers, including Club Metro, My Mochi, and Crocs Club. Our loyalty programmes have given us insights into customer preferences and trends over the years, further enabling us to tailor our product offerings to our customers' preferences. As of March 31, 2019, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, Club Metro had more than 3.75 million, 4.45 million, 4.85 million, 4.55 million and 5.09 million members, respectively, and My Mochi had more than 2.40 million, 2.95 million, 3.29 million, 3.02 million and 3.47 million members, respectively. The loyalty program for Crocs was launched in Fiscal 2020, and had more than 0.24

million, 0.45 million, 0.31 million and 0.59 million members as of March 31, 2020 and 2021 and as of September 30, 2020 and September 30, 2021, respectively.

Our Chairman and Promoter, Mr. Rafique A. Malik, has over 50 years of experience in the footwear retail business and continues to provide strategic insights and overall direction to our business based on his long experience of understanding customer preferences and demands in the industry in which we operate. Ms. Farah Malik Bhanji, our Managing Director and our Promoter, has more than 20 years of experience in the footwear retail business. She has helped us in the expansion of our store network, forging new strategic partnerships and in the overall growth of our business. Ms. Alisha R. Malik, also one of our Promoters and Vice President of our E-Commerce operations, has been instrumental in developing and managing our online channels, and establishing our omni-channel approach. We have also recently engaged Mr. Nissan Joseph as our CEO, who brings more than 20 years of retail and brand management experience to our operations. We have also been supported by our investors, including Mr. Rakesh Jhunjhunwala since 2007.

We have a strong track record of revenue growth and profitability. The following table sets forth certain key performance indicators for the periods indicated, on a consolidated basis:

	As of and for the year ended March 31,			As of and for the six months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million, except percentages)				
Revenue from Operations	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
EBITDA ⁽¹⁾	3,373.26	3,535.11	1,709.25	(133.63)	1,114.20
EBITDA Margin ⁽²⁾	27.72%	27.51%	21.36%	(7.57)%	24.43%
Restated Profit / (Loss) After Tax for the Year / Period	1,527.31	1,605.75	646.19	(431.15)	430.74
PAT Margin ⁽³⁾	12.55%	12.49%	8.08%	(24.42)%	9.45%
ROE ⁽⁴⁾	22.82%	19.33%	7.63%	(5.75)%	5.00%
ROCE ⁽⁵⁾	25.89%	20.07%	9.54%	(2.00)%	5.77%
Inventory Turnover Ratio ⁽⁶⁾	1.50	1.52	1.24	0.28	0.58

Notes:

1. EBITDA is calculated as restated profit after tax for the year / period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
2. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year" on page 299.
3. PAT Margin is calculated as restated profit after tax for the year / period as a percentage of revenue from operations. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of PAT Margin to Revenue from Operations" on page 301.
4. ROE is calculated as restated profit after tax for the year / period divided by total equity. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Return on Equity to Total Equity" on page 300.
5. ROCE is calculated as EBIT divided by Capital Employed. For further information, see "Management's Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Capital Employed and Return on Capital Employed to Total Assets" on page 299.
6. Inventory Turnover Ratio is calculated as cost of goods sold divided by inventory. Cost of goods sold is aggregate of purchases and changes in inventories of stock in trade during the relevant period.

Our Company recorded a Realization per Unit of ₹ 1,321.29, ₹ 1,345.80, ₹ 1,327.96, ₹ 1,279.85 and ₹ 1,381.27, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively, and Revenue per Sq. Ft. of more than ₹ 17,500, ₹ 16,800, ₹ 10,150, ₹ 2,275 and ₹ 5,400, in such periods, respectively. Our business has strong cash flow generation due to which we did not have any significant indebtedness as of September 30, 2021.

PRESENTATION OF FINANCIAL INFORMATION

Our Restated Consolidated Financial Information and the joint venture comprise of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and as at September 30, 2020 and September 30, 2021, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and for and the six month period ended September 30, 2020 and September 30, 2021 and Summary of Significant Accounting Policies and explanatory notes and notes to Restated Consolidated Financial Information) collectively referred as "**Restated Consolidated Financial Information**").

The Restated Consolidated Financial Information have been prepared in terms of the requirements of section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act"); the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

These Restated Consolidated Financial Information have been compiled from the audited consolidated financial information of our Group and the joint venture as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and as at and for the six months ended September 30, 2020 and September 30, 2021, prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

COVID-19

Beginning in March 2020 we experienced a substantial reduction in customer footfalls and store operations due to the nationwide lockdown implemented on March 25, 2020, quarantines, and stay-at-home orders, the promotion of social distancing, and other restrictions. The impact of the COVID-19 pandemic on our business, operations and financial performance have included and may continue to include significant decline in revenue from operations. We experienced and may continue to be subject to temporary as well as permanent closures and reduced store-level operations such as reduced operating hours, as mandated by regulatory authorities. Our total revenue from operations decreased by 37.75% from ₹ 12,851.62 million in Fiscal 2020 to ₹ 8,000.57 million in Fiscal 2021 and were ₹ 4,560.02 million in the six months ended September 30, 2021. The impact of the ongoing pandemic, particularly the second wave and more communicable strain of the virus that has affected India in April 2021, may also result in an adverse impact on our profitability as our operating expenses, primarily comprising lease rental expenses and employee benefit expenses, are less variable in nature. We also incurred and may continue to incur additional expenses in complying with evolving government regulations, including with respect to social distancing measures and sanitization practices. Also see *"Risk Factors – The current and continuing impact of the ongoing COVID-19 pandemic on our business and operations has been significant. The impact of the pandemic on our operations in the future, including its effect on the ability or desire of customers to visit our stores, is uncertain and may be significant and continue to have an adverse effect on our business prospects, strategies, business, operations, our future financial performance, and the price of our Equity Shares."* on page 30.

In order to manage the adverse impact of COVID-19 on our operations, we have implemented and are in the process of implementing various measures to manage our expenses and liquidity. These measures include rationalization of under-performing stores exacerbated by COVID-19. In addition, we capitalized on this opportunity to renegotiate our rental arrangements under various agreements with mall developers, landlords and lessors during the onset of the COVID-19 pandemic in India. Based on these rent relief negotiations, we arrived at negotiated agreements with respect to reductions in rent and our rental obligations during the COVID-19 crisis with a majority of our landlords. However, there can also be no assurance that we will be able to obtain such waivers or successfully further renegotiate these arrangements in the future. Further, in accordance with MCA Notifications dated July 24, 2020 and June 18, 2021 on Ind AS 116 (the "**MCA Notification**"), the Company has elected to apply the practical expedient of not assessing lease concessions as a lease modification for all lease concessions which are granted due to COVID-19 pandemic. As per the requirements of the MCA Notification, total lease concessions confirmed until March 31, 2021, of ₹ 518.84 million and until September 30, 2021, of ₹ 200.65 million, has been recognised under other income for Fiscal 2021 and for the six months ended September 30, 2021.

To increase revenue generation opportunities during the initial months of COVID-19, we strengthened our omni-channel platforms, including online sales channels through our own website, leading e-commerce marketplaces, and social media channels. We also initiated engagements with our customer base through home-visits and instant messaging channels such as WhatsApp. Through these measures, we have been able to leverage the fixed costs we have invested in integrating our physical stores and warehouses with our online channels, to serve customers seeking delivery of our products. Due to stronger balance sheets and more robust supply chains, organised players including our Company, are expected to disproportionately benefit from the organized shift and emerge stronger post COVID-19 (*Source: CRISIL Report*).

In the short to medium-term, we expect that revenues through online channels as a proportion of our overall revenue from operations may gradually increase. Further, with the rationalization of underperforming stores, we believe we are well positioned to strengthen our overall store-level performance. However, the impact of

subsequent waves of the virus on our business cannot be ascertained at this time and we cannot currently estimate the duration or future negative impact of the COVID-19 pandemic on our ability to continue expanding our network of stores, or improve same-store sales growth. As a retail company, we are significantly exposed to the public health and economic effects of the COVID-19 pandemic and there can be no assurance that our business will not be adversely affected if the COVID-19 pandemic were to worsen or last for an extended period, or if subsequent waves and more restrictive measures were to be implemented.

Efficient management of our existing stores

As of September 30, 2021, we had a pan-India presence with 598 Stores in 136 cities across 30 states and union territories in India with a total Retail Business Area of 734,217 sq. ft. across our various brands. Our overall financial performance and results of operations are largely dependent on the number of stores we operate, their locations and performance of the stores in terms of the sales they carry out. Our total store count has grown from 504 Stores as of March 31, 2019 to 586 Stores as of March 31, 2021. Our ability to efficiently manage our stores depends on many factors, including, among other things, our ability to: identify suitable store locations; negotiate acceptable lease terms; optimize supply chain and inventory management; identify and satisfy evolving customer preferences; consistency of customer experience; and adequately train store personnel.

Our primary operating expenses include purchases made for our products, employee benefits expenses, lease rentals, marketing, freight, and depreciation and amortization expense. Wages and other compensation paid to our employees comprise a significant portion of our operating costs, and an increase in the wages or employee benefit costs will significantly increase our operating costs. Our employee benefit expenses represented 9.21%, 9.86%, 12.82%, 27.35% and 11.55% of our revenue from operations in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively. Other operating expenses mainly comprise rental expenses. Store-level profitability is partially dependent on our ability to renew our lease agreements at existing favorable terms granted by the lessor. We consistently seek to optimize our rental costs and most recently renegotiated our rental arrangements with mall developers, landlords and lessors during the onset of the COVID-19 pandemic in India.

Store-level profitability is also predominantly dependent on customer footfalls, and the ability of our store managers to drive sales at our stores. Customer footfalls in turn depend on our store locations, and our ability to introduce offerings that meet evolving customer preferences. We have grown on the back of our experiential store formats, and our ability to remain successful and maintain our level of growth is therefore significantly dependent on the ambience of our stores and the customer service we provide. Our store locations together with our sales employees influence our customer satisfaction levels and their overall shopping experience. Our store managers' ability to drive sales also depends on our ability to retain our workforce, appropriately train them, and enable them to upskill their capabilities.

While we actively manage our costs to drive cost efficiencies and achieve economies of scale through operational leverage throughout our business, we expect that other expenses will increase as we grow, but may decline as a percentage of revenue. We continue to leverage on the size of our store network and multi-brand focus to optimize and manage our supply chain and associated costs.

Expansion of our store network

Our ability to continue our growth across geographies depends upon the strength of our brand, product offering and store economics. Such growth in our operations will aid in our growth in line with our asset light model, increasing our operating leverage and return on capital. Our ability to effectively execute our expansion strategy further depends on our ability to open new retail stores successfully.

As a footwear retailing company, our stores generally need to be in high visibility and high traffic locations. Our ability to effectively obtain quality commercial property to relocate existing stores or open new stores depends on the availability of commercial property that meets our criteria for customer traffic, square footage, lease economics, demographics and other factors, including our ability to negotiate terms that meet our financial targets. In addition, rising real estate prices may restrict our ability to lease new desirable locations.

Any new store that we establish requires significant resources in terms of lease costs, fit-outs and refurbishments, to align the store with our preferred format, and may not be profitable immediately upon its opening or may take time to break even, and failure to do so within a reasonable period may adversely affect our profitability. Our ability to reduce our payback periods depends on our ability to negotiate commercially reasonable terms with lessors/ landlords/ mall developers, based on the store format and the location for such format, that is subject to various assumptions on demand for our products from the particular demographic at the location. In addition, new

stores could impact the sales of our existing stores nearby, and there can be no assurance that sales cannibalization will not occur or become more significant in the future as we increase our presence in existing markets. An inability to appropriately identify suitable locations, or set-up the most appropriate store-format at a particular location, or to negotiate commercially reasonable lease terms, may increase our payback periods, result in store-closures, and adversely affect our results of operations and financial condition. However, with the experience of setting up stores in various parts of India and working with various international and domestic brands, we believe that we are well positioned to leverage on opportunities for expansion, both in terms of opening new stores in any part of India and working with new brands.

Efficient and effective procurement of products

We procure a significant portion of our in-house brands from various domestic vendors, primarily from Mumbai, Agra, Chennai, Delhi, Kanpur and other cities in India. Our in-house product vendors are mainly craftsmen from all over India who have exclusivity of the designs supplied to us and are able to supply goods of required quantities within the prescribed period. We have a team of experienced employees who continuously engage in product research, identify new potential vendors and invite samples from them. Any new vendor can also approach us directly with their samples. We intend to continue to source a significant portion of our products sold through our retail stores from vendors without compromising on the quality of products and without increasing our dependence significantly on any particular vendor. Our ability to manage cost increases on the part of such vendors effectively will impact the continued success of our operations, along with our success in matching procurement against sales expectations. Our ability to predict demand for our products will play a key role in determining our continued profitability and results of operations.

Supply chain and inventory management

Effective supply chain and inventory management are key to a retail and fashion oriented business. Any mismanagement of inventory, miscalculations on supply of the right product at the right time, the absence of optimum stock or the presence of unwanted stock can result in low customer satisfaction, which would have an adverse impact on our brand and our results of operations.

In order to strengthen overall supply chain and inventory control, we have introduced the Theory-of-Constraints (TOC) programme. The TOC programme monitors the introduction and performance of new styles in the stores, replenishment of stock at stores, rotation of slow or non-moving stock to ensure quick sale and recommendation for placing orders with vendors based on product sales performance. These steps ensure that sale of discounted products is limited to two end-of-season sale (EOSS) periods annually. As a result, we liquidate our inventory (18 months or older) only twice a year, primarily through our stores and discounted sales from Stores represented 6.68%, 8.05%, 9.01%, 9.15% and 6.97% of our Total Store Product Sales, in Fiscal 2019, 2020 and 2021 and in the six months ended September 30, 2020 and September 30, 2021, respectively. This system allows us to maintain visibility over demand levels and manage our inventory and procurement against actual sales, thereby reducing situations of stock outs or dead stock.

This continuous monitoring of inventory by tracking sales at our stores as well as at warehouses enables us to ascertain inventory at these locations and identify fast and slow moving stock better, and determine stock keeping units to be discontinued as well as manage the stock transfers in an efficient manner across the stores. This also enables us to plan and budget for discounts to ensure timely inventory clearance.

Owing to our scale of operations and strong supplier network, we are able to leverage better margins with our vendors and enter into arrangements with third-party brands on terms favourable to us. For instance, under most of our arrangements for third-party brands, we are required to pay for third-party products only once these products are sold by us, and under certain arrangements, we are also entitled to return ageing inventory to the brand owner, thereby limiting our inventory risk. However, our operations may be impacted if we are unable to procure third-party brands in line with our anticipated market trends, or in the event these third-parties face supply chain challenges, including due to changes in their ownership structure or otherwise.

Consumer spending and general economic and market conditions

Our success depends to a significant extent on customer confidence and spending, which is influenced by general economic condition and discretionary income levels. Many factors affect the level of customer confidence and spending in the footwear and accessories retail sector, including recession, inflation, political uncertainty, availability of consumer credit, taxation and unemployment. Growth of retail is also linked to consumer needs, attitudes and behaviour. Rising income levels, education and global exposure have contributed to evolution of the middle class. As a result, there has been a gradual shift in the consumption pattern of Indians. Demand for better

quality, convenience and higher value for money have increased demand for branded goods and people are willing to experiment with new products and look different (*Source: CRISIL Report*).

Owing to our significant presence across Metro cities, Tier I, II and III cities, we believe we are well positioned to leverage on increasing urbanization of these markets. Developments in the economy and the rate of urbanisation have in the past affected the supply and demand as well as pricing trends in footwear retail market in the cities and the regions where we operate or intend to operate. In addition, with social distancing norms being in place and fear of spread of infection due to pandemic, preference to buy online has increased and thus online retail is expected to witness a growth of around 10% to 15%, which is expected to improve in the medium term (*Source: CRISIL Report*). We believe that these factors will continue to impact our business, financial condition, results of operations and prospects.

Ability to identify and respond to market trends

Our business and results of operations to a large extent depend on our ability to identify and respond to changing trends.

Women's footwear as a category has started gaining significant traction, especially as branded players are offering comparatively more designs and choices in this segment as compared to the men's or kids segments. With more women joining the corporate workplace, and a corresponding increase in discretionary spending on footwear, demand for women formals and comfort-wear has increased. The women's segment is expected to grow at a CAGR of 9% to 10% between Fiscal 2020 and 2025 and reach a category share of approximately 34% in Fiscal 2025. Growth is expected to be driven by overall demographic factors as well as softer aspects like brand awareness, changing lifestyle and fashion trends and increasing fashion consciousness and brand aspirations. (*Source: CRISIL Report*). The Indian footwear market is also expected to shift in favour of economy, mid and premium-priced segments. Increasing exposure to global fashion brands and trends, higher aspiration levels coupled with demographic factors are expected to influence this shift. Moreover, higher growth rates in the higher prices segments as compared to the mass segment are expected to aid in overall increase in average selling prices of the organised footwear segment in India. (*Source: CRISIL Report*).

The success of our operations therefore depends on our ability to leverage these evolving trends. We also depend, in part, on the third party brands' marketing abilities, their growth and development, our own ability to select new merchandise from our vendors that gain customer acceptance, and to make available sufficient quantities of attractive and popular merchandise to satisfy consumer demand. People in different geographical locations of India have different shopping patterns and preferences. In particular, the performance of our retail stores is sensitive to local consumer preferences and spending patterns. Any non-acceptance of new merchandise identified by us, failure on the part of the third party brands retailed by us in their marketing abilities or any factor adversely affecting the brands that we carry may have an adverse impact on our Company. Our sales and expansion into new markets are dependent, in part, on the strength and reputation of the brands that we carry, and are also subject to consumers' perception of the merchandise that we sell.

We follow and survey fashion trends across international and domestic markets to understand the changing needs of the consumers. Our loyalty programmes have also given us insights into customer preferences and trends over the years, further enabling us to tailor our product offerings to our customers' preferences. Accordingly, we will need to keep up with continuous innovation in our products to attract and retain customers. The success of our business depends on our ability to anticipate the needs of customers and to offer products and services that appeal to their preferences.

Competition

We are one of the largest Indian footwear speciality retailers and are among the aspirational Indian brands in the footwear category (*Source: CRISIL Report*). We face competition from organised as well as unorganised footwear retailers in India, and compete with different retailers for different aspects of our business. Our key competitors include Bata India Limited and Relaxo Footwear Limited. (*Source: CRISIL Report*). Our competitors also include new entrants in the footwear industry, such as manufacturers that directly market and sell their products on e-commerce platforms. Online retailing has helped brands across segments expand their reach, especially in cities and towns where brick and mortar stores are not present (*Source: CRISIL Report*). For further information, see "Industry Overview" on page 121.

An increase in the number of competitors or level of marketing or investments undertaken by such competitors may result in a reduction in our sales, consequently reducing our market share. It may also require us to incur increased sales, marketing and distribution related expenses in order to remain competitive.

We believe that the biggest strength of our “Metro” brand is our optimum product offering of a mix of in-house brands and complementary third party brands across the premium and affordable segments. Our strong in-house design capabilities have enabled us to create and grow our brands organically, including through the development of premium and affordable products. This also enables us to grow seamlessly across geographies as we cater to diverse market segments, and we believe this has allowed us to replicate our brand’s success and market position in India.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and presentation of financial information

Our Restated Consolidated Financial Information and the joint venture comprise of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and as at September 30, 2020 and September 30, 2021, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and for the six month period ended September 30, 2020 and September 30, 2021 and the Summary of Significant Accounting Policies and explanatory notes and notes to Restated Consolidated Financial Information) collectively referred as “**Restated Consolidated Financial Information**”).

The Restated Consolidated Financial Information have been prepared in terms of the requirements of section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (“the Act”); the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

These Restated Consolidated Financial Information have been compiled from:

- the audited special purpose interim consolidated Ind AS financial statements of the Group and the joint venture as at and for the periods ended September 30, 2020 and September 30, 2021 prepared in accordance with recognition and measurement principles of the Indian Accounting Standards (Ind AS) 34 “Interim Financial Reporting” as issued by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India; and
- the audited consolidated Ind AS financial statements of our Group and the joint venture as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

The Restated Consolidated Financial Information 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. 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 Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassification retrospectively, in the financial years ended March 31, 2019, 2020 and 2021, and in the six month period ended and September 30, 2020, to reflect the same accounting treatment as per the accounting policy and grouping/classification followed as at and for the six month period ended September 30, 2021; and do not require any adjustment for modification as there is no modification in the underlying audit reports.

The audit report dated November 10, 2021 on the special purpose consolidated financial statements as at and for the six month period ended September 30, 2020 includes following other matter paragraph:

“Due to restrictions imposed in the COVID-19 related lockdown, some inventory locations of the Company were closed on the date of the financial statements ended September 30, 2020 and management was unable to conduct physical verification of inventory as at September 30, 2020. Consequently, we were unable to observe the verification or perform test counts on inventory as at September 30, 2020. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 “Audit Evidence – Specific Considerations for Selected Items”, which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the period and count conducted by an external expert, where applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these financial statements. Our report is not modified in respect of this matter.”

The audit report dated July 30, 2020 on the consolidated financial statements as at and for the year ended March 31, 2020 includes following other matter paragraph:

“Due to restrictions imposed in the COVID-19 related lockdown, some inventory locations of the Company were closed till date of audit report. The management maintains inventory in its warehouse and showrooms and has an inventory physical verification program for performing physical count of inventory during the year - which was followed. However, due to the above mentioned restrictions, the management was unable to conduct physical verification of inventory as on the date of financial statements and consequently, we were unable to observe the verification or perform test counts on inventory as at year end. We have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA 501 “Audit Evidence — Specific Considerations for Selected Items”, which includes inspections of supporting documentation related to purchases, sales, results of physical counts performed by the Management during the year and count conducted by an external expert, were applicable, and have obtained sufficient and appropriate audit evidence to issue our unmodified opinion on these Financial Statements. Our report is not modified in respect of this matter.”

Basis of consolidation

Subsidiary

Subsidiary is an entity over which we have control. We control 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. We re-assess 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 us, 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 our 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

Our investment in a joint venture is accounted for by the equity method. On acquisition of the investment in Joint venture, the excess of our 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 our 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 our interest in the investee. However unrealised losses are eliminated only to the extent that there is no evidence of impairment.

Principles of Consolidation

The Restated Consolidated Financial Information relate to us and our Joint Venture. The Restated Consolidated Financial Information have been prepared on the following basis:

- The financial information of the subsidiary company and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e. September 30, 2021.
- The financial information of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses (net of deferred tax), unless cost cannot be recovered.
- The excess of cost of our investment in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made/acquired, is recognised in the financial statement as 'Goodwill' being an asset in the Restated Consolidated Financial information. Similarly, where the share of equity in the subsidiary company as on the dates of

investment/acquisition is in excess of cost of our investment, it is recognized as 'Capital Reserve' and shown under the head 'Other Equity' in the Restated Consolidated Financial information.

Going Concern

The financial information has been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the special purpose consolidated interim 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.

Revenue Recognition

Sale of goods

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

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

We operate a loyalty points program which allows customers to accumulate points when they purchase products in our retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. We recognize the consideration allocated to loyalty points, when the loyalty points are redeemed.

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.

Property, plant and equipment and intangible assets

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately. Any expected loss is recognized immediately in the Restated Consolidated Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Restated Consolidated Statement of Profit and Loss.

On transition to Ind AS we had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. Based on this item of property, plant and equipment existing as on the date of transition to Ind AS are carried deemed cost. This exemption can also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than leasehold improvements, which are amortized on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

Intangible Assets

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

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

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years
- Commercial Rights - 10 years

Capital Work in Progress

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

Intangible Assets Under Development

Expenditure on intangible assets under development eligible for capitalization are carried as Intangible assets under development where such assets are not yet ready for their intended use.

Impairment of assets:

At the end of each reporting period, we review the carrying amounts of our 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, we estimate the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

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

Inventories

Holding Company

With effect from July 1, 2018, we had changed the basis of measurement of cost from 'Retail Method' to 'moving weighted average cost method' as a more precise basis of measuring cost of inventory. Accordingly, as per the requirements of paragraph 22 of Ind AS 8 on "Accounting policies, Changes in Accounting Estimates and errors", the Company required to give retrospective effect and adjust the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied.

The Company determined that it was impracticable to determine the effect of retrospective application to any periods prior to April 1, 2018, since the information required to measure cost of inventory on the basis of moving weighted average cost method was not maintained in the erstwhile accounting application software used in the prior periods and the required information could not be accurately collected making every reasonable effort. Accordingly, the Company had applied the change in the accounting policy for the year ending March 31, 2019.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on moving weighted average cost basis. Net realizable 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.

Subsidiary

Inventories are valued at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The inventory has been valued as per the First in First out method.

Joint Venture

Raw materials: These are valued at cost. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of raw material is determined on first in first out basis (FIFO).

Stock-in trade: These are valued at lower of cost and net realizable value. Cost includes purchase price, freight inwards and other costs incurred in bringing the inventories to their present location and condition excluding taxes which are subsequently recoverable from the concerned revenue authorities such as Goods and service tax (GST). Costs of purchased inventory are determined after deducting rebates and discounts. Cost of stock-in trade is determined on first in first out basis (FIFO).

Manufactured finished goods: These are valued at lower of cost and net realizable value. Cost includes cost of raw material, cost of conversion such as overheads and other costs incurred in bringing such inventories to its present location and condition based on actual level of production. Costs of manufactured finished goods determined on first in first out basis (FIFO).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

Devaluation on inventories is considered on the basis of management's best estimate of demand and expected turnover of the inventories.

Taxes on Income

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 year. Taxable profit differs from 'profit before tax' as reported in the Restated Consolidated 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. Our current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with the Income Tax Act, 1961.

Deferred Tax. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which we expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and Deferred tax for the period/year: Current and deferred tax recognised in the profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Employee Benefits

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

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

Defined Benefit Plan. We have a 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 annually 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 and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in 'Other Comprehensive Income' (net of taxes) in the statement of changes in equity and in the balance sheet.

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

Defined benefit cost is split into: (i) Service Cost, which includes current service cost, past service cost and gains and losses on curtailments and settlements; (ii) Net interest expense or Income; (iii) Remeasurements.,

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

Foreign Currencies

Initial Recognition. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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.

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 year, or reported in previous financial information, are recognised as income or as expenses in the year in which they arise and disclosed as a net amount in the Restated Consolidated Financial Information.

Employees Stock Option Plan

In respect of Employee Stock Options, we measure 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.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when we have 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.

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 we; 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.

Financial Instruments:

Financial assets and financial liabilities are recognised when we become 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 Restated Consolidated Statement of Profit and Loss.

Financial assets

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

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual fund investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net change in fair value recognised in the Restated Consolidated statement of profit and loss.

Impairment of Financial Assets:

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

Derecognition of Financial Assets:

A financial asset is derecognised only when we have transferred the contractual rights to receive cash flows of the financial asset; or retain 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, we evaluate 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 we have not retained control of the financial asset. Where we retain control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

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

Leases

We have adopted Ind AS 116-Leases effective April 1, 2019, using the modified retrospective method. We have applied the standard to its leases with the cumulative impact recognized on the date of initial application (April 1, 2019).

For the purpose of preparing Restated Consolidated Financial Information, Ind AS 116 has been applied retrospectively with effect from April 1, 2018.

Our lease asset classes primarily consist of leases for Showroom Premise. We assess whether a contract is or contains a lease, at 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, we assess whether the contract involves the use of an identified asset; we have substantially all of the economic benefits from use of the asset through the period of the lease and we have the right to direct the use of the asset.

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

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

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

Practical expedient for rent concession due to COVID-19

We have elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 on Ind AS 116 for rent concessions which are granted due to COVID-19 pandemic.

Cash Flow Statement

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 our operating, investing and financing activities are segregated based on the available information.

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.

Critical Accounting Estimates and Judgements

Preparing the Restated Consolidated Financial Information 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; estimation of useful life of property, plant and equipment; estimation of defined benefit obligation; fair value measurements and valuation process; impairment of financial assets.

Estimation of uncertainties relating to the global health pandemic from COVID-19

We have evaluated the likely impact of the COVID-19 on our overall business on account of outbreak of the second wave of COVID-19. We as at the date of the approval of these financials, have used various available sources of information to analyse the carrying amount of its financial assets and exposures.

The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare our Restated Consolidated Financial Information, which may differ from that considered as at the date of approval of these Restated Consolidated Financial Information. We will continue to closely monitor any material changes to future economic conditions. We have resumed its business activities by reopening its retail stores on a gradual basis in line with the guidelines issued by the respective State Government authorities.

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE FINANCIAL YEARS

There have been no changes in the accounting policies of the Company during the last three financial years, except for with respect to (i) Ind AS 116, which was effective for accounting periods beginning on or after April 1, 2019; and (ii) Accounting of inventories under the 'Moving-weighted average cost method', which was effective from July 1, 2018:

Ind AS 116

On March 30, 2019, the Ministry of Company Affairs ("MCA") notified that Ind AS 116 would be effective for accounting periods beginning on or after April 1, 2019.

We have adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to our leases using the modified retrospective approach, and have taken the cumulative adjustment to retained earnings, on the date of initial application, i.e. April 1, 2018. Consequently, we recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and the (Right of Use) ROU asset at the carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Accordingly, previous period information has not been restated.

On transition to Ind AS 116, i.e. April 1, 2018, we elected to apply the following practical expedients:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
- Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17; and
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

In the statement of profit and loss for Fiscal 2021, operating lease expenses which were recognized as other expenses in previous periods is now recognized as amortization expense for the right-of-use asset and finance cost for interest accrued on lease liability. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 7.9%.

Accounting of Inventories

With effect from July 1, 2018, we changed the basis of measurement of cost from the 'Retail Method' to 'moving-weighted average cost method' as a more precise basis of measuring cost of inventory.

Accordingly, as per the requirements of paragraph 22 of Ind AS 8 on "Accounting policies, Changes in Accounting Estimates and errors", we were to give retrospective effect and adjust the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied.

We determined that it was impracticable to determine the effect of retrospective application to any periods prior to April 1, 2018, since the information required to measure cost of inventory on the basis of moving weighted average cost method was not maintained in the erstwhile accounting application software used in the prior periods and the required information could not be accurately collected making every reasonable effort. Accordingly, we have applied the change in the accounting policy for the year ending March 31, 2019.

NON-GAAP MEASURES

EBITDA and others below, (together, “**Non-GAAP Measures**”), presented in this Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance.

Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year / Period

The table below reconciles restated profit after tax for the year to EBITDA. EBITDA is calculated as restated profit after tax for the year / period, plus total tax expenses, finance costs and depreciation and amortization expenses, less other income, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Restated profit / (loss) after tax for the period / year (I)	1,527.31	1,605.75	646.19	(431.15)	430.74
Add: Total tax expense (II)	769.27	586.88	192.88	(26.04)	128.87
Add: Finance cost (III)	338.52	395.49	436.55	219.83	235.76
Add: Depreciation and amortisation expense (IV)	936.46	1,206.05	1,218.44	618.83	651.49
Less: Other income (V)	(198.30)	(259.06)	(784.81)	515.10	332.66
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) VI = I + II + III + IV - V	3,373.26	3,535.11	1,709.25	(133.63)	1,114.20
Revenues from operations (VII)	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
EBITDA Margin (VI/VII)	27.72%	27.51%	21.36%	(7.57)%	24.43%

Reconciliation of Capital Employed and Return on Capital Employed to Total Assets

The table below reconciles capital employed to total assets. Capital employed is calculated as total assets less current liabilities, plus borrowings under current liabilities, current maturities of long-term debts and lease liabilities under current liabilities, while ROCE is calculated as EBIT divided by capital employed.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Total assets (I)	13,215.06	16,174.23	16,593.40	14,711.41	17,396.06
Total current liabilities (II)	3,038.53	3,280.79	3,226.26	2,842.69	3,602.56
Capital Employed (III) = I-II	10,176.53	12,893.44	13,367.14	11,868.72	13,793.50

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Restated profit / (loss) after tax for the period / year (IV)	1,527.31	1,605.75	646.19	(431.15)	430.74
Total tax expense (V)	769.27	586.88	192.88	(26.04)	128.87
Finance cost (VI)	338.52	395.49	436.55	219.83	235.76
Earnings Before Interest, Tax (EBIT) (VII) = IV+V+VI	2,635.10	2,588.12	1,275.62	(237.36)	795.37
Return on Capital Employed (VII/III)	25.89%	20.07%	9.54%	(2.00)%	5.77%

Reconciliation of Return on Equity to Total Equity

The table below reconciles return on equity to total equity. Return on equity is calculated as restated profit for the year/ period divided by total equity.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Total Equity (I)	6,693.82	8,307.56	8,474.33	7,498.87	8,614.18
Restated profit / (loss) after tax for the period / year (II)	1,527.31	1,605.75	646.19	(431.15)	430.74
Return on Equity (III) = (II/I)	22.82%	19.33%	7.63%	(5.75)%	5.00%

Reconciliation of Total Borrowings and Debt to Equity Ratio

The table below reconciles total borrowings and debt to equity. Total Borrowings is calculated as borrowings under non-current liabilities plus current maturities of long-term debts plus borrowings under current liabilities, while Debt to Equity is calculated as Total Borrowings divided by total equity.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Non-current liabilities - borrowings (I)	0.08	0.00	0.00	0.00	0.00
Current maturities of long-term debts (II)	0.32	0.56	0.00	1.11	0.00
Current liabilities – borrowings (III)	98.56	115.23	14.06	74.65	9.27
Total Borrowings IV = (I + II + III)	98.96	115.79	14.06	75.76	9.27
Total Equity (V)	6,693.82	8,307.56	8,474.33	7,498.87	8,614.18
Debt to Equity ratio VI = (IV/V)	1.48%	1.39%	0.17%	1.01%	0.11%

Reconciliation of Total Product Sales to Revenue from Operations (standalone)

Particulars/ Product Sales ⁽¹⁾	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
In-Store Product Sales ⁽²⁾	11,253.13	11,682.32	7,251.15	1,563.99	3,839.69
Omni-Channel Product Sales ⁽³⁾	13.67	14.95	86.20	10.90	133.43
Total Store Product Sales ⁽⁴⁾	11,266.80	11,697.27	7,337.35	1,574.89	3,973.12
Online Product Sales ⁽⁵⁾	177.41	291.27	485.37	194.79	391.99
Total Product Sales ⁽⁶⁾	11,444.21	11,988.54	7,822.72	1,769.68	4,365.11
Raw Material Sales and Other Sales	105.37	107.81	64.73	3.60	39.79
Revenue from Operations (standalone)	11,549.58	12,096.35	7,887.45	1,773.28	4,404.90

Notes:

1. Product Sales refers to revenue from sale of footwear, bags and accessories on a standalone basis, and does not include sale of raw materials and other sales.
2. In-Store Product Sales refers to Product Sales made to customers for orders placed at the Stores.
3. Omni-Channel Product Sales refers to Product Sales made from the Stores towards purchase orders placed online.
4. Total Store Product Sales refers to the aggregate of In-Store Product Sales and Omni-Channel Product Sales
5. Online Product Sales refers to Product Sales made from the warehouses towards purchase orders placed online.
6. Total Product Sales refers to the aggregate of Total Store Product Sales and Online Product Sales

Reconciliation of and PAT Margin to Revenue from Operations

The table below reconciles PAT Margin to Revenue from Operations. PAT Margin is calculated as Restated Profit after Tax for the Year as a percentage of Revenue from Operations.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Revenue from operations (I)	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
Restated profit / (loss) after tax for the period / year (II)	1,527.31	1,605.75	646.19	(431.15)	430.74
PAT Margin (%) III = II / I	12.55%	12.49%	8.08%	(24.42)%	9.45%

Reconciliation of Gross Margin (%) to Revenue from Operations

The table below reconciles Gross Margin (%) to Revenue from Operations. Gross Margin is calculated as revenue from operations less purchases and changes in inventories of stock-in-trade, and Gross Margin (%) is calculated as Gross Margin as a percentage of revenue from operations.

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Revenue from Operations (I)	12,170.65	12,851.62	8,000.57	1,765.44	4,560.02
Purchases of stock-in-trade (II)	6339.39	5821.79	2741.02	226.04	2,448.86
Changes in Inventories of stock in trade (III)	(852.05)	(115.16)	863.76	654.48	(488.81)
Gross Margin IV = I – (II + III)	6,683.31	7,144.99	4,395.79	884.92	2,599.97
Gross Margin (%) IV / I	54.91%	55.60%	54.94%	50.12%	57.02%

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Set forth below are the principal components of income and expenditure from our continuing operations:

Total Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) sale of products (traded goods comprising footwear, bags and accessories); and (ii) other operating revenue, such as shoe repair income and sale of service (commission and expense recoveries).

Other Income

Other income includes (i) interest income earned on financial assets carried at amortized cost (interest on bank deposits, interests on loan given to joint venture, interest on other loans and advances, interest on security deposit, interest on income tax refund, interest on sales tax refund); (ii) income earned on financial assets carried at FVOCI (interest income from tax free bonds); (iii) dividend income from current investments in mutual funds (carried at FVTPL); (iv) net gain on investments designated as FVTPL; (v) net gain on foreign currency transactions and translation; (vi) rent concession on account of COVID-19; and (vii) other income (income from cash discounts, miscellaneous income, income from liabilities no longer required written back and sales tax refund).

Expenses

Our expenses comprise (i) purchases; (ii) changes in inventories of stock-in-trade; (iii) employee benefits expense; (iv) depreciation and amortisation expenses; (v) finance costs; and (vi) other expenses.

Purchases

Purchases comprise purchase of stock-in-trade (footwear, bags and accessories) and purchase of packing materials.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-trade comprises increase or decrease in our inventory of stock-in-trade. It is calculated based on the opening inventory of stock-in-trade and adjusted for closing inventory of stock-in-trade.

Employee Benefits Expenses

Employee benefits expenses comprises (i) salaries and wages; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses comprise (i) depreciation of property, plant and equipment (buildings, leasehold improvements, furniture and fittings, machinery and equipment, motor vehicles and computers); (ii) amortisation on right-of-use assets; and (iii) amortisation of other intangible assets (copyrights, commercial rights, trademarks and computer software).

Finance Costs

Finance costs refer to (i) interest expenses; and (ii) interest on lease liabilities.

Other Expenses

Other expenses comprise (i) power and fuel; (ii) rent; (iii) rates and taxes; (iv) insurance; (v) repairs and maintenance; (vi) advertisement and sales promotion; (vii) commission on sales; (viii) commission on credit card sales; (ix) freight charges; (x) maintenance and other charges – showrooms; (xi) shoe repair expenses; (xii) communication; (xiii) donations; (xiv) travelling and conveyance; (xv) legal and professional fees; (xvi) payment to auditors; (xvii) loss on sale or discard of property, plant and equipment; (xviii) corporate social responsibility; (xix) allowance for doubtful trade receivables, advances and deposits; (xx) advances written off; (xxi) sales tax assessment dues; (xxii) interest on delayed payment of taxes and others; and (xxiii) miscellaneous expenses.

Key components of other expenses are explained below:

- Commission on sales expenses mainly comprise commission paid to our sales team based on sales carried out by them and fees charged by e-commerce marketplaces for sales through their channels;
- Rent expenses comprises the variable component of the rent for our stores, payable to landlords/ lessors/ mall developers and rent expenses for warehouses and our Registered and Corporate Office;
- Maintenance and other charges (showrooms) primarily comprise common area maintenance charges levied by mall developers/ landlords of commercial property, and utility charges primarily incurred in the operations of our stores in malls;
- Advertisement and sales promotion expenses primarily comprises expenses towards digital marketing, hoardings, print media, software fees for customer loyalty programs, marketing campaigns, promotions and events, and visual merchandising displays; and
- Freight charges comprises amounts paid to logistics companies for transport of products from our stores to warehouse, transfers between stores, and delivery charges towards fulfilment of online orders from customers.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the six months ended September 30, 2020 and September 30, 2021:

SIX MONTHS ENDED SEPTEMBER 30, 2021 COMPARED TO SIX MONTHS ENDED SEPTEMBER 30, 2020

Particulars	Six Months ended September 30,			
	2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Income				
Revenue from operations	1,765.44	77.41%	4,560.02	93.20%
Other income	515.10	22.59%	332.66	6.80%
Total Income	2,280.54	100.00%	4,892.68	100.00%
Expenses				
Purchases	226.04	9.91%	2,448.86	50.05%
Changes in inventories of stock-in-trade	654.48	28.70%	(488.81)	(9.99)%
Employee benefits expense	482.90	21.17%	526.63	10.76%
Finance cost	219.83	9.64%	235.76	4.82%
Depreciation and amortisation expense	618.83	27.14%	651.49	13.32%
Other expenses	518.77	22.75%	958.89	19.60%
Total expenses	2,720.85	119.31%	4,332.82	88.56%
Restated profit before tax and before share of profit of a Joint Venture	(440.31)	(19.31)%	559.86	11.44%
Tax expense				
Current tax	-	-	152.00	3.11%
Deferred tax	(26.04)	(1.14)%	(23.13)	(0.47)%
Total tax expense	(26.04)	(1.14)%	128.87	2.63%
Restated profit after tax for the year and before share of profit of a joint venture	(414.27)	(18.17)%	430.99	8.81%
Share of (loss)/profit of a joint venture	(16.88)	(0.74)%	(0.25)	(0.01)%
Restated profit after tax for the year	(431.15)	(18.91)%	430.74	8.80%
Restated other comprehensive income	20.76	0.91%	7.43	0.15%
Items that will not be reclassified to profit or loss				
Gain / (Loss) on remeasurements of the defined benefit plans				
Group	11.26	0.49%	10.89	0.22%
Share in joint ventures	(0.10)	0.00%	(0.15)	0.00%
Income tax relating to items that will not be reclassified to profit or loss	0.21	0.01%	(2.74)	(0.06)%
Items that will be reclassified to profit or loss				
Gain / (Loss) arising on fair valuation of quoted investments in bonds	9.39	0.41%	(0.57)	(0.01)%
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Restated Total comprehensive income for the year	(410.39)	18.00%	438.17	8.96%

Key Developments

- Our operations in the six months ended September 30, 2020 and September 30, 2021 were severely impacted by COVID-19 and consequent lockdowns and restrictions imposed in India. Operations at our stores were suspended or restricted, which resulted in a decrease in sale of our products, on account of government restrictions imposed during these periods. However, the impact of COVID-19 on our operations during the six months ended September 30, 2021 was not as significant compared to the impact during the six months ended September 30, 2020. For further information, see “– Significant Factors Affecting Results of Operations and Financial Condition – COVID-19” on page 285.

Income

Total income increased by 114.54% from ₹ 2,280.54 million in the six months ended September 30, 2020 to ₹ 4,892.68 million in the six months ended September 30, 2021 primarily due to increased operations on account of resumption of activities post lockdown during the six months ended September 30, 2021 compared with the six months ended September 30, 2020.

Revenue from Operations

Revenues from operations increased by 158.29% from ₹ 1,765.44 million in the six months ended September 30, 2020 to ₹ 4,560.02 million in the six months ended September 30, 2021.

In particular, our Total Store Product Sales increased by 152.28% from ₹ 1,574.89 million in the six months ended September 30, 2020 to ₹ 3,973.12 million in the six months ended September 30, 2021, largely attributable to an increase in sale of products on account of lifting of restrictions following cessation of the COVID-19 pandemic during the period October 2020 to March 2021.

Sale of Products (traded goods)

Sale of products increased by 158.64% from ₹ 1,761.89 million in the six months ended September 30, 2020 to ₹ 4,557.02 million in the six months ended September 30, 2021.

Other Operating Revenue

Other operating revenue decreased from ₹ 3.55 million in the six months ended September 30, 2020 to ₹ 3.00 million in the six months ended September 30, 2021 primarily due to a decrease in sale of service (commission and expense recoveries).

Other Income

Other income decreased by 35.42% from ₹ 515.10 million in the six months ended September 30, 2020 to ₹ 332.66 million in the six months ended September 30, 2021, primarily due to a decrease in rent concessions received on account of COVID-19 by 45.69% from ₹ 369.42 million in the six month ended September 30, 2020 to ₹ 200.65 million in six months ended September 30, 2021, decrease in net gain arising on investments designated as FVTPL by 23.00% from ₹ 110.77 million in six months ended September 30, 2020 to ₹ 85.29 million in six months ended September 30, 2021.

Expenses

Total expenses increased by 59.25% from ₹ 2,720.85 million in the six months ended September 30, 2020 to ₹ 4,332.82 million in the six months ended September 30, 2021, primarily due to an increase in operations and increase in sales.

Purchases

Purchases increased from ₹ 226.04 million in the six months ended September 30, 2020 to ₹ 2,448.86 million in the six months ended September 30, 2021 due to an increase in purchase of stock-in-trade from ₹ 191.59 million in the six months ended September 30, 2020 to ₹ 2,380.60 million in the six months ended September 30, 2021 and increase in purchase of packing materials by 98.14% from ₹ 34.45 million in the six months ended September 30, 2020 to ₹ 68.26 million in the six months ended September 30, 2021 in-line with increased operations at our stores primarily due to relaxation of COVID-19 lockdowns and related measures imposed to prevent spread of the virus including government imposed lockdowns and restrictions.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-trade changed from ₹ 654.48 million in the six months ended September 30, 2020 to ₹ (488.81) million in the six months ended September 30, 2021 primarily due to an increase in closing inventories of stock-in-trade.

Employee Benefits Expenses

Employee benefits expenses increased by 9.06% from ₹ 482.90 million in the six months ended September 30, 2020 to ₹ 526.63 million in the six months ended September 30, 2021, primarily due to an increase in salaries and wages by 9.44% from ₹ 438.65 million in the six months ended September 30, 2020 to ₹ 480.06 million in the six months ended September 30, 2021 primarily on account of increments paid to employees and additional hires during the period. This also led to an increase in the contribution to provident and other funds by 4.07% from ₹ 43.48 million in the six months ended September 30, 2020 to ₹ 45.25 million in the six months ended September 30, 2021 and an increase in staff welfare expenses from ₹ 0.77 million in the six months ended September 30, 2020 to ₹ 1.32 million in the six months ended September 30, 2021.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 5.28% from ₹ 618.83 million in the six months ended September 30, 2020 to ₹ 651.49 million in the six months ended September 30, 2021, primarily on account of increase in number of showrooms.

Finance Cost

Finance cost increased by 7.25% from ₹ 219.83 million in the six months ended September 30, 2020 to ₹ 235.76 million in the six months ended September 30, 2021 due to an increase in interest on lease liabilities by 9.21% from ₹ 214.92 million in the six months ended September 30, 2020 to ₹ 234.71 million in the six months ended September 30, 2021 primarily on account of an increase in the number of showrooms. This was marginally offset by a decrease in interest expenses by 78.62% from ₹ 4.91 million in the six months ended September 30, 2020 to ₹ 1.05 million in the six months ended September 30, 2021 primarily due to repayment of an existing facility.

Other Expenses

Other expenses increased by 84.84% from ₹ 518.77 million in the six months ended September 30, 2020 to ₹ 958.89 million in the six months ended September 30, 2021, primarily due to an increase in sales during the six months ended September 30, 2021 compared with the six months ended September 30, 2020.

- Commission on sales that increased by 91.22% from ₹ 154.19 million in the six months ended September 30, 2020 to ₹ 294.84 million in the six months ended September 30, 2021.
- Rent expenses that increased by 166.43% from ₹ 52.90 million in the six months ended September 30, 2020 to ₹ 140.94 million in the six months ended September 30, 2021 primarily due to opening of additional showrooms.
- Travelling and conveyance expenses that increased by 280.91% from ₹ 3.51 million in the six months ended September 30, 2020 to ₹ 13.37 million in the six months ended September 30, 2021.
- Maintenance and other charges of showrooms that increased by 42.03% from ₹ 67.88 million in the six months ended September 30, 2020 to ₹ 96.41 million in the six months ended September 30, 2021 due to an increase in common area maintenance charges from mall owners following resumption of retail activities following the cessation of COVID-19 pandemic.
- Rate and taxes increased from ₹ 2.58 million in the six months ended September 30, 2020 to ₹ 16.94 million in the six months ended September 30, 2021.
- Freight charges increased by 153.83% from ₹ 32.88 million in the six months ended September 30, 2020 to ₹ 83.46 million in the six months ended September 30, 2021.
- Advertisement and sales promotion expenses that increased by 145.62% from ₹ 36.43 million in the six months ended September 30, 2020 to ₹ 89.48 million in the six months ended September 30, 2021.

The decrease was marginally offset by a decrease in loss on sale/ discard of property, plant and equipment (net) 35.48% from ₹ 14.26 million in the six months ended September 30, 2020 to ₹ 9.20 million in the six months ended September 30, 2021 and decrease in CSR expenses from ₹ 6.15 million in the six months ended September 30, 2020 to ₹ 1.00 million in the six months ended September 30, 2021

Restated Profit before tax and before share of profit of a joint venture

For the reasons discussed above, restated profit before tax and before share of profit of a joint venture was ₹ 559.86 million in the six months ended September 30, 2021 compared to a loss before tax and before share of profit of a joint venture of ₹ 440.31 million in the six months ended September 30, 2020.

Tax Expense

Current tax expenses increased from nil in the six months ended September 30, 2020 to ₹ 152.00 million in the six months ended September 30, 2021 primarily on account of increase in revenue and resultant net profits and deferred tax credit decreased marginally from ₹ 26.04 million in the six months ended September 30, 2020 to a credit of ₹ 23.13 million in the six months ended September 30, 2021. As a result, total tax expense amounted to ₹ 128.87 million in the six months ended September 30, 2021 compared to a tax credit of ₹ 26.04 million in the six months ended September 30, 2020.

Restated Profit after Tax for the Period

We recorded a restated profit after tax for the period of ₹ 430.74 million in the six months ended September 30, 2021 compared to a loss of ₹ 431.15 million in the six months ended September 30, 2020.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA was ₹ 1,114.20 million in the six months ended September 30, 2021 compared to EBITDA of ₹ (133.63) million in the six months ended September 30, 2020, while EBITDA Margin is 24.43% in the six months ended September 30, 2021 compared to (7.57)% in the six months ended September 30, 2020.

For further information, see “*Management’s Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year / Period*” on page 299.

FISCAL 2021 COMPARED TO FISCAL 2020

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2019, 2020 and 2021:

Particulars	Fiscal					
	2019		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Income						
Revenue from operations	12,170.65	98.40%	12,851.62	98.02%	8,000.57	91.07%
Other income	198.30	1.60%	259.06	1.98%	784.81	8.93%
Total Income	12,368.95	100.00%	13,110.68	100.00%	8,785.38	100.00%
Expenses						
Purchases	6,339.39	51.25%	5,821.79	44.40%	2,741.02	31.20%
Changes in inventories of stock-in-trade	(852.05)	(6.89)%	(115.16)	(0.88)%	863.76	9.83%
Employee benefits expense	1,121.35	9.07%	1,267.57	9.67%	1,026.02	11.68%
Finance cost	338.52	2.74%	395.49	3.02%	436.55	4.97%
Depreciation and amortisation expense	936.46	7.57%	1,206.05	9.20%	1,218.44	13.87%
Other expenses	2,204.00	17.82%	2,350.77	17.93%	1,654.54	18.83%
Total expenses	10,087.67	81.56%	10,926.51	83.34%	7,940.33	90.38%
Restated profit before tax and before share of profit of a Joint Venture	2,281.28	18.44%	2,184.17	16.66%	845.05	9.62%
Tax expense						
Current tax	769.92	6.22%	570.53	4.35%	235.47	2.68%
Deferred tax	(0.65)	(0.01)%	16.35	0.13%	(42.59)	(0.48)%
Total tax expense	769.27	6.21%	586.88	4.48%	192.88	2.20%

Particulars	Fiscal					
	2019		2020		2021	
	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income	(₹ million)	Percentage of total income
Restated profit after tax for the year and before share of profit of a joint venture	1,512.01	12.22%	1,597.29	12.18%	652.17	7.42%
Share of (loss)/profit of a joint venture	15.30	0.12%	8.46	0.06%	(5.98)	(0.07)%
Restated profit after tax for the year	1,527.31	12.35%	1,605.75	12.25%	646.19	7.36%
Restated other comprehensive income	(8.23)	(0.07)%	6.41	0.05%	18.46	0.21%
Items that will not be reclassified to profit or loss						
Gain / (Loss) on remeasurements of the defined benefit plans						
Group	(6.18)	(0.05)%	1.72	0.01%	14.85	0.17%
Share in joint ventures	(0.06)	0.00%	(0.12)	0.00%	0.06	0.00%
Income tax relating to items that will not be reclassified to profit or loss	2.14	0.02%	0.13	0.00%	(3.74)	(0.04)%
Items that will be reclassified to profit or loss						
Gain / (Loss) arising on fair valuation of quoted investments in bonds	(4.13)	(0.03)%	4.68	0.04%	7.29	0.08%
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Restated Total comprehensive income for the year	1,519.08	12.28%	1,612.16	12.30%	664.65	7.57%

Key Developments

- Our operations in Fiscal 2021 were severely impacted by COVID-19 and consequent lockdowns and restrictions imposed in India. Operations at our stores were suspended or restricted, which resulted in a decrease in sale of our products, on account of government restrictions imposed during Fiscal 2021. For further information, see “ – Significant Factors Affecting Results of Operations and Financial Condition – COVID-19” on page 285.
- Our operations in Fiscal 2021 were also impacted by related rationalization efforts undertaken by us in order to improve operational efficiency. These included, renegotiating existing lease arrangements, closure of poorly performing stores and associated rationalization of staff, surrendering leaseholds of additional storage facilities, and renegotiating packaging and other material cost arrangements. As a result, we closed 24 stores in Fiscal 2021, compared to 10 stores in Fiscal 2020. For further information, see “ – Significant Factors Affecting Results of Operations and Financial Condition – COVID-19” on page 285.

Income

Total income decreased by 32.99% from ₹ 13,110.68 million in Fiscal 2020 to ₹ 8,785.38 million in Fiscal 2021 primarily due to the impact of the COVID-19 crisis and the temporary closure of a number of our stores across India due to the lockdown related restrictions on our business operations commencing from end of Fiscal 2020, as well as reduced store-level operations, including reduced operating hours in line with GoI guidelines, which resulted in a significant decrease in customer footfalls at our stores given the lockdown, and significant decrease in same-store sales.

Revenue from Operations

Revenues from operations decreased by 37.75% from ₹ 12,851.62 million in Fiscal 2020 to ₹ 8,000.57 million in Fiscal 2021, primarily due to a decrease in sales from our stores.

In particular, our Total Store Product Sales decreased by 37.27% from ₹ 11,697.27 million in Fiscal 2020 to ₹ 7,337.35 million in Fiscal 2021, largely attributable to a decrease in sale of products on account of impact of COVID-19 pandemic.

Sale of Products (traded goods)

Sale of products decreased by 37.61% from ₹ 12,806.77 million in Fiscal 2020 to ₹ 7,990.13 million in Fiscal 2021, primarily on account of the impact of the COVID-19 pandemic.

Other Operating Revenue

Other operating revenue also decreased from ₹ 44.85 million in Fiscal 2020 to ₹ 10.44 million in Fiscal 2021 primarily due to a decrease in sale of service (commission and expense recoveries) by 82.22% from ₹ 40.16 million in Fiscal 2020 to ₹ 7.14 million in Fiscal 2021, that we receive as the distributor for a particular international brand. The decrease was primarily a result of discontinuation of distribution of products of this particular brand.

Other Income

Other income increased from ₹ 259.06 million in Fiscal 2020 to ₹ 784.81 million in Fiscal 2021, primarily due to an increase in income on bank deposits from ₹ 0.65 million in Fiscal 2020 to ₹ 13.69 million in Fiscal 2021, increase in net gain arising on investments designated as FVTPL by 42.24% from ₹ 128.80 million in Fiscal 2020 to ₹ 183.21 million in Fiscal 2021 and rent concession on account of COVID-19 amounting to ₹ 518.84 million in Fiscal 2021 on account of COVID-19 compared to no such concession in Fiscal 2020 as a result of renegotiations of certain of our leases with our landlords, which resulted in additional liquidity in Fiscal 2021 as compared to Fiscal 2020.

Expenses

Total expenses decreased by 27.33% from ₹ 10,926.51 million in Fiscal 2020 to ₹ 7,940.33 million in Fiscal 2021, primarily due to the decreased scale of our store operations during the COVID-19 pandemic.

Purchases

Purchases decreased by 52.92% from ₹ 5,821.79 million in Fiscal 2020 to ₹ 2,741.02 million in Fiscal 2021 due to a decline in purchase of stock-in-trade by 53.54% from ₹ 5,609.89 million in Fiscal 2020 to ₹ 2,606.19 million in Fiscal 2021 and decline in purchase of packing materials by 36.37% from ₹ 211.90 million in Fiscal 2020 to ₹ 134.83 million in Fiscal 2021 in-line with reduced operations at our stores primarily due to COVID-19 induced economic downturn and related measures imposed to prevent spread of the virus including government imposed lockdowns and restrictions.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-trade changed from ₹ (115.16) million in Fiscal 2020 to ₹ 863.76 million in Fiscal 2021 primarily due to a decrease in closing inventories for stock-in-trade.

Employee Benefits Expenses

Employee benefits expenses decreased by 19.06% from ₹ 1,267.57 million in Fiscal 2020 to ₹ 1,026.02 million in Fiscal 2021, primarily due to a decrease in salaries and wages by 18.56% from ₹ 1,153.04 million in Fiscal 2020 to ₹ 939.06 million in Fiscal 2021 on account of rationalisation of workforce due to store closures during the initial months of the COVID-19. This also led to a decrease in the contribution to provident and other funds by 20.23% from ₹ 105.48 million in Fiscal 2020 to ₹ 84.14 million in Fiscal 2021 and a decrease in staff welfare expenses by 68.83% from ₹ 9.05 million in Fiscal 2020 to ₹ 2.82 million in Fiscal 2021.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 1.03% from ₹ 1,206.05 million in Fiscal 2020 to ₹ 1,218.44 million in Fiscal 2021, primarily on account of increase in right-of-use assets by 3.55% from ₹ 4,824.95 million

in Fiscal 2020 to ₹ 4,996.02 million in Fiscal 2021, due to addition of new stores and certain renovation activities for existing stores in Fiscal 2021. Overall increase was partially offset by higher depreciation of ₹ 65.98 million in Fiscal 2020 due to change in estimated useful life of lease hold improvements in Fiscal 2021, to the period of lease or 10 years whichever is lower.

Finance Cost

Finance cost increased by 10.38% from ₹ 395.49 million in Fiscal 2020 to ₹ 436.55 million in Fiscal 2021 due to an increase in interest on lease liabilities by 10.97% from ₹ 387.75 million in Fiscal 2020 to ₹ 430.30 million in Fiscal 2021 as a result of addition of new stores. This was marginally offset by a decrease in interest expenses by 19.24% from ₹ 7.74 million in Fiscal 2020 to ₹ 6.25 million in Fiscal 2021.

Other Expenses

Other expenses decreased by 29.62% from ₹ 2,350.77 million in Fiscal 2020 to ₹ 1,654.54 million in Fiscal 2021, primarily due to a decrease in:

- Power and fuel expenses that decreased by 27.21% from ₹ 201.69 million in Fiscal 2020 to ₹ 146.81 million in Fiscal 2021 due to temporary closures of certain of our stores on account of the COVID-19 pandemic and reduced operating hours.
- Rent expenses that decreased by 29.10% from ₹ 339.31 million in Fiscal 2020 to ₹ 240.58 million in Fiscal 2021 primarily due to rent relief negotiations pursuant to which we arrived at negotiated agreements with respect to reductions in rent and our rental obligations during the COVID-19 pandemic with a majority of our landlords. In accordance with MCA Notification, the Company has elected to apply the practical expedient of not assessing lease concessions as a lease modification for all lease concessions which are granted due to COVID-19 pandemic. As per the requirements of the MCA Notification, total lease concessions confirmed till March 31, 2021 of ₹518.84 million, has been recognised under other income for the year ended March 31, 2021.
- Maintenance and other charges of showrooms that decreased by 20.26% from ₹ 208.44 million in Fiscal 2020 to ₹ 166.21 million in Fiscal 2021 due to a decrease in common area maintenance charges from mall owners for the duration of the nationwide lockdown imposed by the government in Fiscal 2021 on account of the COVID-19 pandemic;
- Advertisement and sales promotion expenses that decreased by 66.48% from ₹ 479.76 million in Fiscal 2020 to ₹ 160.79 million in Fiscal 2021 due to increased focus on digital advertising activities, as compared to outdoor advertising and promotional activities and partly due to lower advertisement spends on account of the nationwide lockdown due to COVID-19 as compared to Fiscal 2020;
- Travelling and conveyance expenses that decreased by 79.65% from ₹66.31 million in Fiscal 2020 to ₹ 13.49 million in Fiscal 2021, due to nationwide lockdown and temporary closures of certain of our stores on account of the COVID-19 pandemic and reduced operating hours.

The decrease was marginally offset by an increase in expenses on corporate social responsibility by 99.66% from ₹ 21.68 million in Fiscal 2020 to ₹ 43.29 million in Fiscal 2021 and interest on delayed payment of taxes and others from ₹ 1.81 million in Fiscal 2020 to ₹ 11.59 million in Fiscal 2021 primarily due to commercial uncertainties on account of COVID-19.

Restated Profit before tax and before share of profit of a joint venture

For the reasons discussed above, restated profit before tax and before share of profit of a joint venture was ₹ 845.05 million in Fiscal 2021 compared to ₹ 2,184.17 million in Fiscal 2020.

Tax Expense

Current tax expenses decreased from ₹ 570.53 million in Fiscal 2020 to ₹ 235.47 million in Fiscal 2021 and deferred tax decreased from ₹ 16.35 million in Fiscal 2020 to a credit of ₹ 42.59 million in Fiscal 2021, primarily on account of deferred tax assets created on impact due to Ind AS 116. As a result, total tax expense amounted to ₹ 192.88 million in Fiscal 2021 compared to ₹ 586.88 million in Fiscal 2020.

Restated Profit after Tax for the Year

We recorded a restated profit after tax for the year of ₹ 646.19 million in Fiscal 2021 compared to ₹ 1,605.75 million in Fiscal 2020.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA was ₹ 1,709.25 million in Fiscal 2021 compared to EBITDA of ₹ 3,535.11 million in Fiscal 2020, while EBITDA Margin is 21.36% in Fiscal 2021 compared to 27.51% in Fiscal 2020.

For further information, see “*Management’s Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year / Period*” on page 299.

FISCAL 2020 COMPARED TO FISCAL 2019

Key Developments

- Our operations in Fiscal 2020 were impacted by COVID-19 and consequent lockdowns and restrictions imposed in India, beginning March 2020. Operations at our stores were suspended or restricted, which resulted in a decrease in sale of our products in March 2020. For further information, see “ – *Significant Factors Affecting Results of Operations and Financial Condition – COVID-19*” on page 285.

Income

Total income increased by 6.00% from ₹ 12,368.95 million in Fiscal 2019 to ₹ 13,110.68 million in Fiscal 2020 primarily due to an increase in the number of stores during Fiscal 2020. We had 551 Stores as of March 31, 2020 compared to 504 stores as of March 31, 2019.

Revenue from Operations

Revenues from operations increased by 5.60% from ₹ 12,170.65 million in Fiscal 2019 to ₹ 12,851.62 million in Fiscal 2020, primarily due to an increase in sales from our stores, largely attributable to an increase in sale of products. However, growth of our sales were impacted by the onset of COVID-19 in Fiscal 2020, severely and temporarily affecting sales in March 2020.

Sale of Products

Sale of products (traded goods) increased by 5.27% from ₹ 12,165.65 million in Fiscal 2019 to ₹ 12,806.77 million in Fiscal 2020, primarily due to addition of new stores in Fiscal 2021. However, growth of our sales were impacted by the onset of COVID-19 in Fiscal 2020, severely and temporarily affecting sales in March 2020.

Other Operating Revenue

Other operating revenue also increased from ₹ 5.00 million in Fiscal 2019 to ₹ 44.85 million in Fiscal 2020 primarily due to an increase in sale of service (commission and expense recoveries) from no such revenue to Fiscal 2019 to a revenue of ₹ 40.16 million in Fiscal 2020, on account of a distribution arrangement entered into with an international brand in Fiscal 2020, for distribution of its products in India on a commission basis.

Other Income

Other income increased by 30.64% from ₹ 198.30 million in Fiscal 2019 to ₹ 259.06 million in Fiscal 2020, primarily due to an increase in interest on security deposit by 35.80% from ₹ 20.34 million in Fiscal 2019 to ₹ 27.62 million in Fiscal 2020, an increase in net gain arising on investments designated as FVTPL by 26.02% from ₹ 102.21 million in Fiscal 2019 to ₹ 128.80 million in Fiscal 2020 and an increase in income from liabilities no longer required or written back from ₹ 8.24 million in Fiscal 2019 to ₹ 26.55 million in Fiscal 2020.

Expenses

Total expenses increased by 8.32% from ₹ 10,087.67 million in Fiscal 2019 to ₹ 10,926.51 million in Fiscal 2020, primarily due to an increase in employee benefits expenses, finance costs, depreciation and amortisation expenses, and other expenses, driven by an increase in scale of our operations in Fiscal 2020.

Purchases

Purchases decreased by 8.16% from ₹ 6,339.39 million in Fiscal 2019 to ₹ 5,821.79 million in Fiscal 2020 due to a decline in purchase of stock-in-trade by 9.11% from ₹ 6,172.39 million in Fiscal 2019 to ₹ 5,609.89 million in Fiscal 2020, due to efforts to rationalize overall inventory. This was marginally offset by an increase in purchase of packing materials by 26.88% from ₹ 167.00 million in Fiscal 2019 to ₹ 211.90 million in Fiscal 2020 primarily due to opening of new stores in our network.

Changes in inventories of stock-in-trade

Changes in inventories of stock-in-trade changed from ₹ (852.05) million in Fiscal 2019 to ₹ (115.16) million in Fiscal 2020 primarily due to an increase in closing year-end inventories at stores/ warehouse.

Employee Benefits Expenses

Employee benefits expenses increased by 13.04% from ₹ 1,121.35 million in Fiscal 2019 to ₹ 1,267.57 million in Fiscal 2020, primarily due to an increase in salaries and wages by 14.88% from ₹ 1,003.65 million in Fiscal 2019 to ₹ 1,153.04 million in Fiscal 2020 on account of an increase in the strength of our workforce, driven by addition of new stores in our network. This also led to an increase in staff welfare expenses from ₹ 8.19 million in Fiscal 2019 to ₹ 9.05 million in Fiscal 2020. This was marginally offset by a decrease in expenses incurred on contribution to provident and other funds by 3.68% from ₹ 109.51 million in Fiscal 2019 to ₹ 105.48 million in Fiscal 2020.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 28.79% from ₹ 936.46 million in Fiscal 2019 to ₹ 1,206.05 million in Fiscal 2020, primarily on account of increase in depreciation of ₹ 65.98 million due to change in estimated useful life of lease hold improvements to the period of lease or 10 years whichever is lower and increase in right-of-use assets by 30.32% from ₹ 3,702.36 million in Fiscal 2019 to ₹ 4,824.95 million in Fiscal 2020, due to addition of new stores during the year.

Finance Costs

Finance costs increased by 16.83% from ₹ 338.52 million in Fiscal 2019 to ₹ 395.49 million in Fiscal 2020 due to an increase in interest on lease liabilities by 16.66% from ₹ 332.38 million in Fiscal 2019 to ₹ 387.75 million in Fiscal 2020 as a result of increase in number of stores.

Other Expenses

Other expenses increased by 6.66% from ₹ 2,204.00 million in Fiscal 2019 to ₹ 2,350.77 million in Fiscal 2020, primarily due to an increase in:

- Power and fuel expenses that increased by 8.71% from ₹ 185.53 million in Fiscal 2019 to ₹ 201.69 million in Fiscal 2020 primarily due to the increased number of stores and annual inflation on rates of electricity;
- Repairs and maintenance (others) expenses that increased by 16.89% from ₹ 79.04 million in Fiscal 2019 to ₹ 92.39 million in Fiscal 2020 primarily due to increase in refurbishments carried out at our stores;
- Maintenance and other charges (showrooms) that increased by 14.19% from ₹ 182.54 million in Fiscal 2019 to ₹ 208.44 million in Fiscal 2020 in line with the increase in our network of stores during Fiscal 2020.
- Advertisement and sales promotion expenses that increased by 9.75% from ₹ 437.12 million in Fiscal 2019 to ₹ 479.76 million in Fiscal 2020 due to increase promotion activities that we carried out at newly opened stores.

- Freight charges that increased by 31.82% from ₹ 99.63 million in Fiscal 2019 to ₹ 131.33 million in Fiscal 2020 primarily due to increase in Total Online Product Sales and increase in number of stores.

Restated Profit before tax and before share of profit of a joint venture

For the reasons discussed above, restated profit before tax and before share of profit of a joint venture was ₹ 2,184.17 million in Fiscal 2020 compared to ₹ 2,281.28 million in Fiscal 2019.

Tax Expense

Current tax expenses decreased from ₹ 769.92 million in Fiscal 2019 to ₹ 570.53 million in Fiscal 2020 and deferred tax increased from ₹ (0.65) million in Fiscal 2019 to ₹ 16.35 million in Fiscal 2020, primarily on account of reduction in the corporate income tax rates. As a result, total tax expense amounted to ₹ 586.88 million in Fiscal 2020 compared to ₹ 769.27 million in Fiscal 2019.

Restated Profit after Tax for the Year

We recorded a restated profit after tax for the year of ₹ 1,605.75 million in Fiscal 2020 compared to ₹ 1,527.31 million in Fiscal 2019.

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)

EBITDA was ₹ 3,535.11 million in Fiscal 2020 compared to EBITDA of ₹ 3,373.26 million in Fiscal 2019, while EBITDA Margin was 27.51% in Fiscal 2020 compared to 27.72% in Fiscal 2019.

For further information, see “*Management’s Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of EBITDA and EBITDA Margin to Restated Profit after Tax for the Year / Period*” on page 299.

FINANCIAL CONDITION

- Our other financial assets (non-current) increased from ₹ 392.21 million, as of March 31, 2020 to ₹ 432.85 million, as of March 31, 2021 while our other financial assets (current) increased from ₹ 70.76 million, as of March 31, 2020 to ₹ 131.12 million, as of March 31, 2021 primarily on account of increase in bank deposits (with more than 12 months maturity) where excess funds generated from the business were invested and increase in security deposits paid to lessors on opening of new showrooms during Fiscal 2021. Other financial assets (non-current) were ₹ 463.54 million, as of September 30, 2021.
- Our current investments increased from ₹ 3,404.60 million, as of March 31, 2020 to ₹ 3,923.69 million, as of March 31, 2021 owing to investment of excess cash in mutual funds, bonds or short-term / medium term fixed deposits and on account of fair value of such investments increasing at the end of Fiscal 2021. Our current investments were ₹ 3,279.72 million, as of September 30, 2021.
- Our cash and cash equivalents increased from ₹ 104.95 million, as of March 31, 2020 to ₹ 263.16 million, as of March 31, 2021 primarily on account of increase in our bank balance in current account that were yet to be invested in various investments. While our bank balances (other than cash and cash equivalents) increased from ₹ 3.89 million, as of March 31, 2020 to ₹ 616.08 million, as of March 31, 2021 mainly due to increase in fixed deposits (with less than 12 months maturity) where excess funds generated from the business were invested. Our cash and cash equivalents were ₹ 193.72 million, as of September 30, 2021.
- Our trade receivables decreased from ₹ 701.28 million, as of March 31, 2020 to ₹ 505.51 million, as of March 31, 2021 owing to fewer sales in Fiscal 2021 compared with Fiscal 2020 on account of COVID-19. Our trade receivables were ₹ 695.72 million, as of September 30, 2021.
- Our borrowings decreased from ₹ 115.23 million, as of March 31, 2020 to ₹ 14.06 million, as of March 31, 2021 owing to repayment of borrowings in Fiscal 2021. As of September 30, 2021, we had total borrowings (consisting of current and non-current borrowings) of ₹ 9.27 million.
- Our other current liabilities increased from ₹ 144.21 million, as of March 31, 2020 to ₹ 200.85 million, as of March 31, 2021 owing to increase in GST liability in Fiscal 2021. During Fiscal 2020, our GST liability for the month of March 2020 was lower due of nation-wide lockdown on account of COVID-19, whereas

in Fiscal 2021, our sales were for the entire month of March 2021 and accordingly our GST liability was higher. Our other current liabilities were ₹ 230.76 million, as of September 30, 2021.

- Our restated profit after tax for the period / year declined by 59.75% from ₹ 1,605.75 million in Fiscal 2020 to ₹ 646.19 million in Fiscal 2021 primarily on account of the impact of COVID-19. Our restated profit after tax for the period / year was ₹ 430.74 million in the six months ended September 30, 2021.
- Our basic and diluted EPS declined from ₹ 6.05 in Fiscal 2020 to ₹ 2.43 in Fiscal 2021 on account of reduction in our restated profit after tax for the period / year while our basic and diluted EPS was ₹ 1.62 in the six months ended September 30, 2021.
- Our restated net worth attributable to owners of the Company increased from ₹ 8,072.89 million, as of March 31, 2020 to ₹ 8,275.70 million, as of March 31, 2021 on account of our restated profit after tax for the year which resulted in an increase in our cumulative retained earnings and thereby leading to an increase in our restated net worth attributable to owners of the Company. Our restated net worth attributable to owners of the Company was ₹ 8,400.38 million, as of September 30, 2021.
- The amount of rent concession received by us was ₹ 518.84 million in Fiscal 2021 and was ₹ 200.65 million in the six months ended September 30, 2021.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through funds generated from our operations. From time to time, we may obtain loan facilities to finance our short-term working capital requirements.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal			Six Months ended September 30,	
	2019	2020	2021	2020	2021
	(₹ million)				
Net cash from/ (used in) operating activities	1,956.55	2,730.84	2,652.78	319.08	263.10
Net cash from/ (used in) investing activities	(673.47)	(1,626.15)	(1,223.80)	337.92	412.26
Net cash from/ (used in) financing activities	(1,319.64)	(1,115.00)	(1,270.77)	(662.05)	(744.80)
Net increase/ (decrease) in cash and cash equivalents	(36.56)	(10.31)	158.21	(5.05)	(69.44)
Cash and cash equivalents at the end of the period/ year	115.26	104.95	263.16	99.90	193.72

Operating Activities

Six Months ended September 30, 2021

In the six months ended September 30, 2021, net cash from operating activities was ₹ 263.10 million. Restated profit / (loss) before tax for the period / year was ₹ 559.86 million in the six months ended September 30, 2021 and adjustments to reconcile restated profit / (loss) before tax for the period / year to operating profit before working capital changes primarily consisted of depreciation and amortisation expense of ₹ 651.49 million and interest expense at ₹ 234.71 million. Operating profit before working capital changes was ₹ 1,132.94 million in the six months ended September 30, 2021. The main working capital adjustments in the six months ended September 30, 2021 included increase in trade and other payable of ₹ 303.04 million. Cash generated from operations the six months ended September 30, 2021 amounted to ₹ 520.19 million. Income tax paid amounted to ₹ 257.09 million.

Six Months ended September 30, 2020

In the six months ended September 30, 2020, net cash from operating activities was ₹ 319.08 million. Restated profit / (loss) before tax for the period / year was ₹ (440.31) million in the six months ended September 30, 2020 and adjustments to reconcile restated profit / (loss) before tax for the period / year to operating profit before working capital changes primarily consisted of depreciation and amortisation expense of ₹ 618.83 million and

interest expense at ₹ 214.92 million. Operating profit before working capital changes was ₹ (99.30) million in the six months ended September 30, 2020. The main working capital adjustments in the six months ended September 30, 2021 included decrease in inventories of ₹ 654.48 million and decrease in other current assets of ₹ 73.81 million. Cash generated from operations the six months ended September 30, 2020 amounted to ₹ 320.06 million. Income tax paid amounted to ₹ 0.98 million.

Fiscal 2021

In Fiscal 2021, net cash from operating activities was ₹ 2,652.78 million. Restated profit before tax for the year was ₹ 845.05 million in Fiscal 2021 and adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortisation expense of ₹ 1,218.44 million and interest expense at ₹ 430.30 million. Operating profit before working capital changes was ₹ 1,770.33 million in Fiscal 2021. The main working capital adjustments in Fiscal 2021 included decrease in inventories of ₹ 863.76 million. Cash generated from operations in Fiscal 2021 amounted to ₹ 2,856.36 million. Income tax paid amounted to ₹ 203.58 million.

Fiscal 2020

In Fiscal 2020, net cash from operating activities was ₹ 2,730.84 million. Restated profit before tax for the year was ₹ 2,184.17 million in Fiscal 2020 and adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortisation expense of ₹ 1,206.05 million and interest expense of ₹ 387.75 million. Operating profit before working capital changes was ₹ 3,582.11 million in Fiscal 2020. The main working capital adjustments in Fiscal 2020 include increase in trade receivables of ₹ 192.16 million and increase in inventories of ₹ 115.16 million. Cash generated from operations in Fiscal 2020 amounted to ₹ 3,339.11 million. Income tax paid amounted to ₹ 608.27 million.

Fiscal 2019

In Fiscal 2019, net cash from operating activities was ₹ 1,956.55 million. Restated profit before tax for the year was ₹ 2,281.28 million in Fiscal 2019 and adjustments to reconcile restated profit before tax to operating profit before working capital changes primarily consisted of depreciation and amortisation expense of ₹ 936.46 million and interest expense at ₹ 338.52 million. Operating profit before working capital changes was ₹ 3,394.58 million in Fiscal 2019. The main working capital adjustments in Fiscal 2019 included increase in trade receivables of ₹ 134.12 million and increase in inventories of ₹ 852.06 million. This was marginally offset by adjustments for increase in trade and other payables of ₹ 512.16 million. Cash generated from operations in Fiscal 2019 amounted to ₹ 2,760.04 million. Income tax paid amounted to ₹ 803.49 million.

Investing Activities

Six Months ended September 30, 2021

Net cash from investing activities was ₹ 412.26 million in the six months ended September 30, 2021, primarily on account of capital expenditure on property, plant and equipment including capital advances of ₹ 189.10 million and purchase of current investments of ₹ 939.95 million and bank balances (including non-current) not considered as cash and cash equivalents of ₹ 154.54 million. This was partially offset by redemption of current investments of ₹ 1,668.64 million.

Six Months ended September 30, 2020

Net cash from investing activities was ₹ 337.92 million in the six months ended September 30, 2021, primarily on account of capital expenditure on property, plant and equipment including capital advances of ₹ 121.13 million and purchase of current investments of ₹ 1,289.98 million and bank balances (including non-current) not considered as cash and cash equivalents of ₹ 150.22 million. This was partially offset by redemption of current investments of ₹ 1,870.31 million.

Fiscal 2021

Net cash used in investing activities was ₹ 1,223.80 million in Fiscal 2021, primarily on account of capital expenditure on property, plant and equipment including capital advances of ₹ 251.02 million and purchase of current investments of ₹ 4,843.82 million. This was partially offset by redemption of current investments of ₹ 4,515.23 million.

Fiscal 2020

Net cash used in investing activities was ₹ 1,626.15 million in Fiscal 2020, primarily on account of purchase of current investments of ₹ 3,666.37 million and capital expenditure on property, plant and equipment including capital advances of ₹ 442.05 million. This was partially offset by redemption of current investments of ₹ 2,422.94 million.

Fiscal 2019

Net cash used in investing activities was ₹ 673.47 million in Fiscal 2019, primarily on account of purchase of current investments of ₹ 3,320.98 million and capital expenditure on property, plant and equipment including capital advances of ₹ 587.71 million. This was partially offset by redemption of current investments of ₹ 3,180.82 million.

Financing Activities

Six Months ended September 30, 2021

Net cash used in financing activities was ₹ 744.80 million in the six months ended September 30, 2021, primarily on account of proceeds from payment of lease liabilities of ₹ 440.23 million, and final and interim dividends including dividend tax paid of ₹ 298.73 million.

Six Months ended September 30, 2020

Net cash used in financing activities was ₹ 662.05 million in the six months ended September 30, 2021, primarily on account of payment of lease liabilities of ₹ 233.36 million, and final and interim dividends including dividend tax paid of ₹ 398.30 million.

Fiscal 2021

Net cash used in financing activities was ₹ 1,270.77 million in Fiscal 2021, primarily on account of proceeds from borrowings of ₹ 101.18 million, payment of lease liabilities of ₹ 665.46 million, and final and interim dividends including dividend tax paid of ₹ 497.88 million.

Fiscal 2020

Net cash used in financing activities was ₹ 1,115.00 million in Fiscal 2020, primarily on account of payment of lease liabilities of ₹ 1,123.85 million and finance cost of ₹ 7.74 million. This was partially offset by proceeds from borrowings of ₹ 16.59 million.

Fiscal 2019

Net cash used in financing activities was ₹ 1,319.64 million in Fiscal 2019, primarily on account of payment of lease liabilities of ₹ 913.27 million, final and interim dividends including dividend tax paid of ₹ 446.35 million. This was partially offset by proceeds from borrowings of ₹ 38.71 million.

INDEBTEDNESS

As of September 30, 2021, we had total borrowings (consisting of current and non-current borrowings) of ₹ 9.27 million. Our gross debt to equity ratio was 0.20 as of March 31, 2021. For further information on our indebtedness, see “*Financial Indebtedness*” on page 322, and “*Management’s Discussion and Analysis on Results of Operation and Financial Condition – Non-GAAP Measures – Reconciliation of Total Borrowings and Debt to Equity Ratio*” on page 300.

The following table sets forth certain information relating to our outstanding indebtedness as of September 30, 2021, and our repayment obligations in the periods indicated:

Particulars	As of September 30, 2021			
	Payment due by period			
	(` million)			
	Total	Not later than 1 year	1-5 years	More than 5 years
Short Term Borrowings				
Secured	9.27	9.27	-	-
Unsecured	-	-	-	-
Total Short Term Borrowings	9.27	9.27	-	-
Total Borrowings	9.27	9.27	-	-

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of September 30, 2021, our contingent liabilities that have not been accounted for in the Restated Consolidated Financial Information, were as follows:

Particulars	Amount
	(` million)
Contingent Liabilities and Commitments	
(i) Contingent Liabilities	
(a) Claims against the Group not acknowledged as debts	
Central excise	0.89
Service tax	1.06
Sales tax	72.49
GST	0.79
Income tax	0.30
(b) Others (money for which the group is contingently liable)	2.05
(ii) Commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	56.96

For further information on our contingent liabilities, see “*Financial Statements*” on page 211.

Except as disclosed in the Restated Consolidated Financial Information or elsewhere in this Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of September 30, 2021, aggregated by type of contractual obligation, from the Restated Consolidated Financial Information:

Particulars	As of September 30, 2021			
	Payment due by period			
	Total Amount	Less than 1 year	1-5 years	More than 5 years
	(` million)			
Contractual obligations				
Trade Payables	2,355.40	2,355.40	-	-
Lease Liabilities	8,048.84	1,271.24	4,170.74	2,606.86
Borrowings	9.27	9.27	-	-
Others	142.13	142.13	-	-
Total	10,555.64	3,778.04	4,170.74	2,606.86

For further information on our capital and other commitments, see “*Financial Statements*” on page 211.

CAPITAL EXPENDITURES

In Fiscal 2019, Fiscal 2020, and Fiscal 2021 and in the six months ended September 30, 2020 and September 30, 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment’s and intangible

assets including franchise rights) were ₹ 624.28 million, ₹ 379.08 million, ₹ 306.76 million, ₹ 164.89 million and ₹ 138.13 million, respectively. The following table sets forth our fixed assets for the periods indicated:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Six Months ended September 30, 2020	Six Months ended September 30, 2021
	(₹ million)				
Property, plant and equipment	578.16	363.91	302.45	163.21	136.66
Intangible Assets	46.12	15.17	4.31	1.68	1.47
Total	624.28	379.08	306.76	164.89	138.13

For further information, see “*Financial Statements*” on page 211.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to executive Directors and Key Managerial Personnel. For further information relating to our related party transactions, see “*Financial Statements – Note 28: Related Party Disclosures*” on page 255.

AUDITOR’S OBSERVATIONS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our Statutory Auditor in their auditor’s reports on the audited consolidated financial statements as of and for the years ended March 31, 2019, 2020 and 2021 and as of and for the six months ended September 30, 2020 and September 30, 2021, as applicable.

However, the auditors have also included a statement on certain matters specified in the Companies (Auditors Report) Order 2016, as amended (“CARO”), in their reports included as an annexure to the auditor’s report on our audited consolidated financial statements as of and for the years ended March 31, 2019, 2020 and 2021 and as of and for the six months ended September 30, 2020 and September 30, 2021. For further information, see “*Financial Statements*” on page 211.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

We are exposed to various types of market risks during the normal course of business. Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: credit risk, liquidity risk and other market risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit Risk

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 us 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.

Trade and Other Receivables

Our retail business is predominantly on cash and carry basis. We sell goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 3% of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. We have adopted a policy of dealing with only creditworthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by us by

creditworthiness checks. We also carry 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. *Our* experience of delinquencies and customer disputes have been minimal.

Cash and Cash Equivalents and Deposits with Banks

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

Liquidity Risk

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 our short, medium and long-term funding and liquidity management requirements. We manage 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.

Market Risks

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.

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. We negotiate with vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps protect us from significant product margin losses.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

We are exposed to interest rate risk primarily due to borrowings having floating interest rates. We use available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that we have an effective mix of fixed and variable rate borrowings. We do not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

Currency Risk

Significant transactions are in Indian rupees. We are therefore exposed to minimal foreign currency risk.

Inflation

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

For further information, see “*Restated Consolidated Financial Information – Note 37.4: Financial Risk Management*” on page 271.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 285 and 29, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 285 and 29, respectively. To our knowledge, except as discussed in this Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 153 and 282, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and on pages 29, 121 and 153, respectively, for further details on competitive conditions that we face across our various business segments.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals are as described in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Six Months ended September 30, 2021 compared to Six Months ended September 30, 2020*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*” above on pages 303, 306 and 310, respectively.

SEGMENT REPORTING

Our business activity primarily falls within a single business and geographical segment, i.e. trading of fashion footwear, bags, and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products in India, accordingly, other than as disclosed in “*Financial Statements – Note 29*” on page 264, we do not follow any other segment reporting.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

SEASONALITY/ CYCLICALITY OF BUSINESS

We are impacted by seasonal variations in sales volumes, which may cause our revenues to vary significantly between different quarters in a Fiscal. Typically, we see an increase in our business during the festive periods in India, i.e., prior to Dussehra and Diwali, and end of season sales. Therefore, our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful, or may not be indicative of our annual financial results or our results in any future quarters or periods. See “*Risk Factors – Our business is subject to seasonality. Lower revenues in the festive period of any Fiscal may adversely affect our business, financial condition, results of operations and prospects*” on page 46.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Our Company has, in consultation with the BRLMs, undertaken a private placement of 73,136 Equity Shares for cash consideration aggregating to ₹ 32.91 million. Accordingly, the Fresh Issue size, as was stated in the Draft Prospectus, was reduced from ₹ 2,500 million to ₹ 2,467.09 million. Thereafter, our Company has increased the Fresh Issue Size to ₹ 2,950 million, in accordance with, and subject to, the provisions of the SEBI ICDR Regulations. Further, our Company has intimated the Shareholders who were allotted Equity Shares pursuant to the Pre-IPO Placement, of there being no guarantee that the Offer or listing of the Equity Shares on the Stock Exchanges, will be successfully consummated.

Except as above and as otherwise disclosed in this Prospectus, there have been no significant developments after September 30, 2021 that may affect our future results of operations.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Consolidated Financial Information as at September 30, 2021, and as adjusted for the Offer. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” on pages 282, 211, and 29, respectively.

Particulars	Pre-Offer as at September 30, 2021 (in ₹)	As adjusted for the Offer*
Total borrowings:		
Non-current borrowings (including current maturities) (A)	-	-
Current borrowings (B)	9.27	9.27
Total borrowings (C)	9.27	9.27
Total equity:		
Equity share capital**	1,327.67	1,357.54
Other equity	7,072.71	10,025.76
Equity attributable to the owners of the Company	8,400.38	11,383.30
Non-Controlling Interests	213.80	213.80
Total equity (D)	8,614.18	11,597.10
Total non – current borrowings / total equity (A/D)	-	-
Total borrowings / total equity (C/D)	0.11%	0.08%

*It reflects changes in equity on account of proceeds from private placement and the Fresh Issue aggregating to ₹ 2,982.91 million, out of which ₹ 29.87 million has been adjusted against the Equity Share capital and ₹ 2,953.04 million has been adjusted in securities premium. Further the other equity amount has not been adjusted for share issue expenses of the Fresh Issue.

Note: Pursuant to the board resolution dated March 25, 2021, and shareholders’ resolution dated March 30, 2021, equity shares of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹ 5 each.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiary have availed credit facilities in their ordinary course of business for purposes such as, *inter alia*, meeting their working capital requirements and general corporate purposes.

For further details regarding the borrowing powers of our Board, see “*Our Management – Borrowing Powers of our Board*” on page 195.

As on October 31, 2021, the aggregated outstanding borrowings of our Company and Subsidiary amounted to ₹38.99 million on a consolidated basis, and a brief summary of such borrowings is set forth below:

Category of borrowing	Sanctioned amount as on October 31, 2021 (₹ million)	Outstanding amount as on October 31, 2021 (₹ million)
Borrowings of our Company		
Secured		
Working capital facilities		
Fund based	69.80	0.00
Non fund based*	220.00	18.95
Total (A)	289.80	18.95
Borrowings of our Subsidiary		
Secured		
Working capital facilities		
Fund based	0.00	0.00
Non fund based**	100.00	20.04
Total (B)	100.00	20.04
Total (A) + (B)	389.80	38.99

*Includes limit of ICICI Bank and Kotak Bank which is fungible between fund based and non-fund based.

**Includes limit of ICICI Bank which is fungible between fund based and non-fund based.

For disclosure of borrowings as at September 30, 2021, as per requirements of Schedule III of Companies Act, 2013 and related accounting standards, see “*Financial Statements*” on page 211.

Principal terms of the borrowings availed by us:

As of the date of this Prospectus, we have availed borrowings from RBL Bank Limited, ICICI Bank Limited, HDFC Bank Limited and Kotak Mahindra Bank Limited. The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company and Subsidiary.

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company and Subsidiary:

1. **Interest/ Commission:** The interest rate for our OD/CC/Working Capital facilities is typically the base rate of a specified lender plus a specified spread per annum. The spread varies amongst different facilities and typically ranges from 0.10% to 8% in case of the Company, and the spread is 0.40% in case of the Subsidiary.
2. **Tenor:** The tenor of our facilities typically ranges from 90 days to 5 years in case of Metro and 90 days to 12 months in case of Subsidiary. Certain facilities like Bank Overdraft and Cash Credit are repayable on demand.
3. **Security:** The facilities are typically secured by creation of a charge on the movable assets of the Company such as Current assets, Liquid Mutual Funds and Debt Mutual Funds.

4. **Penal Interest:** The penal interest applicable is typically between 1.5% to 2% over the applicable interest rate.
5. **Repayment:** Our facilities, being working capital facilities, are typically repayable on demand.
6. **Restrictive covenants:** As per the terms of our facility agreements, certain corporate actions for which our Company requires prior written consent of the lenders include:
 - (a) undertaking any scheme of amalgamation, compromise, reconstruction, consolidation, demerger or merger;
 - (b) change in promoter shareholding/ change in promoter directorship, resulting in change in management control;
 - (c) effecting any material change in the constitution or management of our Company;
 - (d) changing the capital structure of our Company or dilution of shareholding of the promoter of our Company;
 - (e) amending the Memorandum of Association and Articles of Association;
 - (f) undertaking any new business, operations or projects or substantial expansion of any current business, operations or projects;
 - (g) declaration of dividends or distribution of profits except where the instalments of principal and interest payable to a particular lender is being paid regularly and there are no irregularities in relation thereto; and
 - (h) Breach of any covenant, undertaking or conditions set out in the facility documents or breach of agreement, representation or warranty which in the opinion of the bank is prejudicial to their interests.
 - (i) Raising any loans/availing any facility/ies against the assets offered as security as facility/facilities of the bank
 - (j) Opening of any new current account
 - (k) Give or advance any loans to group companies and promoters
 - (l) *For Subsidiary* - Any change in the shareholding pattern of Metro in the Subsidiary or transfer of shares, to be approved by lender of the Subsidiary.
7. **Events of default:** Borrowing arrangements entered into by our Company contain standard events of default, including, amongst others:
 - (a) Payment default;
 - (b) Breach of terms;
 - (c) Bankruptcy, insolvency, dissolution;
 - (d) Jeopardising the security created;
 - (e) Change in control of our Company;
 - (f) Misleading information and representations;
 - (g) Default under any other financing arrangements of our Company; and
 - (h) any other occurrence or existence of one or more events, conditions or circumstances (including any change in law), which in opinion of Bank, could have a material adverse effect.

8. ***Consequences of occurrence of events of default:*** Borrowing arrangements entered into by our Company contain standard consequences of events of default, including, amongst others:
- (a) Termination of facilities;
 - (b) Suspension of access to facilities;
 - (c) Enforcement of security;
 - (d) Appointment of nominee directors / observers;
 - (e) Appointment of consultants; and
 - (f) Review of management set-up of our Company;
 - (g) Disclosure of the name of borrower and guarantor and their directors as wilful defaulters.

For further details of financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors – We have incurred indebtedness and an inability to comply with repayment and other covenants under our financing arrangements could adversely affect our business and financial condition.*” on page 46.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation/ arbitration as determined to be material by our Board as per the Materiality Policy, in each case involving our Company, Subsidiary, Promoters or Directors (“**Relevant Parties**”); or (v) litigation involving our Group Companies which has a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against any of our Promoters in the last five Fiscals, including any outstanding action.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by resolution of our Board dated July 27, 2021:

Any outstanding litigation / arbitration proceedings (other than as covered in points (i) to (iii) above) involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Prospectus, if:

- a.) The monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds the higher of (A) 1.00% of the consolidated profit after tax of our Company, as per the latest fiscal year in the Restated Consolidated Financial Information, in this case being ₹ 6.46 million, or (B) ₹ 10 million; or
- b.) wherein a monetary liability is not quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold as specified in (a)(A) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects or reputation of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (other than notices issued by statutory/regulatory authorities or tax authorities or notices threatening criminal action) have not and shall not, be considered as material litigation until such time that the Relevant Parties or Group Companies, as the case may be, are impleaded as a defendant/s in proceedings before any judicial / arbitral forum.

We have also disclosed matters relating to direct and indirect taxes involving the Relevant Parties in a consolidated manner giving details of number of cases and total amount involved in such claims. As on the date of this Prospectus, there is no outstanding litigation, whose outcome on which the survival of the Company is dependent.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of the Materiality Policy, creditors of our Company to whom amounts due by our Company is equal to or in excess of ₹ 117.77 million being 5.00% of the consolidated trade payables of the Company as at the end of the latest period included in the Restated Consolidated Financial Information, would be considered as material creditors.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus. All terms defined herein in a particular litigation disclosure pertain to that particular litigation only.

A. Litigation involving our Company

Outstanding criminal litigation

Outstanding criminal litigation by our Company

1. Our Company has filed a complaint dated September 28, 2015 (“**Complaint**”) before the Additional Chief Metropolitan Magistrate’s Court at Esplanade, Mumbai under Section 138 of the Negotiable Instruments Act, 1881, against Anand Krishnan, a selling agent of our Company, for the dishonor of cheque dated July 14, 2015 issued for the sum of ₹ 0.25 million by Anand Krishnan. Pursuant to the Complaint, the Metropolitan Magistrate, 64th Court, Esplanade, Mumbai has issued a non-bailable warrant against Anand Krishnan on February 3, 2020. The matter is presently pending.
2. Our Company has filed a complaint dated September 28, 2015 (“**Complaint**”) before the Additional Chief Metropolitan Magistrate’s Court at Esplanade, Mumbai under Section 138 of the Negotiable

Instruments Act, 1881, against Jahid Khan, a selling agent of our Company, for the dishonor of cheque dated July 14, 2015 issued for the sum of ₹ 0.17 million by Jahid Khan. The Chief Metropolitan Magistrate, Esplanade has issued a bailable warrant against Jahid Khan on March 14, 2019. The matter is presently pending.

3. Our Company has filed an FIR dated April 12, 2005 at the New Market Police Station, Kolkata under Section 408 of the IPC against Aftab H. Mohid, a selling agent (manager) of our Company, for misappropriation of cash and stock, amounting to ₹ 0.79 million. A charge-sheet dated February 1, 2007 was also filed. Pursuant to the charge-sheet, the Court of the Metropolitan Magistrate, 6th Court, Kolkata had, *vide* order dated July 21, 2015 (“**July 2015 Order**”), dismissed our Company’s allegations and acquitted Aftab H. Mohid. Accordingly, our Company had filed an appeal before the City Sessions Court at Calcutta against the July 2015 Order, which has now been admitted. The matter is presently pending.
4. Our Company has filed an FIR dated August 23, 2014 at the Dispur Police Station, Guwahati under Section 408 of the IPC against Babul Miya, an erstwhile selling agent of our Company, for misappropriation of cash and stock, amounting to ₹ 1.07 million. A charge-sheet dated November 30, 2014 was also filed. By virtue of order dated June 4, 2018 (“**June 2018 Order**”) passed by the Judicial Magistrate, First Class, Kamrup (M), Guwahati, Babul Miya was found guilty and punished with *inter alia* two years of imprisonment. The June 2018 Order was upheld by the Additional Sessions Judge No.1, Kamrup (M), Guwahati on September 4, 2019 (“**September 2019 Order**”). Against the September 2019 Order, Babul Miya has filed a revision petition. An order dated February 28, 2020 in connection with the revision petition has been passed by the Guwahati High Court, allowing the accused to remain on bail. The matter is presently pending.
5. Our Company has filed an FIR dated August 5, 2013 under Sections 406 and 420 of the Indian Penal Code, 1860, against Gurang Behera, an erstwhile employee. After investigation, a charge-sheet was submitted and the Chief Judicial Magistrate, Allahabad took cognizance of the matter. The matter is presently pending.
6. Our Company has filed an FIR dated March 23, 2019 at the Jayanagar Police Station, Bangalore under Sections 406, 408 and 420 of the IPC, against Mohammed Israr, a selling agent (manager) of our Company, for misappropriation stock amounting to approximately ₹ 0.50 million. The matter is presently pending.
7. Our Company has filed an FIR dated June 14, 2019 at the Grand Bazaar Police Station, Puducherry under Section 408 and Section 420 of the IPC against J. Satish, an erstwhile manager of our Company, for misappropriation of cash and stock amounting to approximately ₹ 0.74 million. The matter is presently pending.
8. Our Company has filed a complaint dated April 24, 2019 with the police station at Supela, Bhilai in Chattisgarh, against Tauqir Ahmad, a selling agent of our Company, for misappropriation of goods amounting to approximately ₹ 0.22 million. The matter is presently pending.
9. Our Company has filed an FIR dated May 19, 2021 at the Link Road, Ghaziabad Police Station (“**Police Station**”) under Section 406 of the IPC against Mohammad Waseem Ansari, a selling agent of our Company, alleging misappropriation of stock and cash amounting to approximately ₹ 0.91 million. Our Company also filed a subsequently complaint dated May 27, 2021 with the Police Station, claiming that the value of the misappropriated cash and stock amounted to ₹ 1.10 million. The matter is presently pending.
10. Our Company has filed a complaint dated June 20, 2021 with the police station at Umra, Surat under Sections against Imran Merchant, a selling agent of our Company, for misappropriation of stock amounting to approximately ₹ 0.33 million. Subsequently, our Company has filed a reminder complaint dated September 2, 2021. The matter is presently pending.
11. Our Company has filed an FIR dated July 29, 2021 with the police station at Kakinada III Tn, East Godavari under Sections 408 and 420 of the IPC against Punuri Poul, a selling agent of our Company, for misappropriation of stock amounting to approximately ₹ 0.76 million. A separate complaint dated July 29, 2021 has been filed with the Station House Officer III Town Police Station, Kakinada against Punuri Poul. The matter is presently pending.

12. Our Company had filed a criminal complaint dated July 28, 2011 before the Additional Chief Metropolitan Magistrate's 37th court at Esplanade, Mumbai ("**Magistrate's Court**") under Section 200 of the Cr.P.C for an offence punishable under Section 420 read with Section 34 of the IPC against Indo Pacific Software & Entertainment Limited and others ("**Accused**"), being the proprietors of Poonam Mall, Nagpur. Our Company seeks to recover ₹ 0.18 million paid to the Accused as advance for the lease of premises in Poonam Mall, since the construction of the mall is incomplete and the premises have not been handed over. The Magistrate's Court, by way of order dated February 16, 2019 ("**February 2019 Order**") had dismissed the matter for want of prosecution. Our Company has filed a revision application, along with an application for condonation of delay, on January 2, 2020 before the Court of Session at Greater Mumbai under Section 397 of the Cr.P.C challenging the February 2019 Order on the grounds that the February 2019 Order fails to assign specific reason for dismissing the complaint filed by our Company, other than the absence of the complainant. The matter is presently pending.
13. Our Company had filed a criminal complaint dated July 28, 2011 before the Additional Chief Metropolitan Magistrate's 37th court at Esplanade, Mumbai ("**Magistrate's Court**") under Section 200 of the Cr.P.C for an offence punishable under Section 420 read with Section 34 of the IPC, against IDEB Buildcon Private Limited and others ("**Accused**"), being the proprietors of Grand Mall & Tower, Bangalore ("**Grand Mall**"). Our Company seeks to recover ₹ 0.34 million paid to the Accused as advance for the lease of premises in the Grand Mall, since the construction of the mall is incomplete, and the premises have not been handed over. The Magistrate's Court, by way of order dated February 16, 2019 ("**February 2019 Order**") had dismissed the matter for want of prosecution. Our Company has filed a revision application, along with an application for condonation of delay, on January 2, 2020 before the Court of Session at Greater Mumbai under Section 397 of the Cr.P.C challenging the February 2019 Order on the grounds that the February 2019 Order fails to assign specific reason for dismissing the complaint filed by our Company, other than the absence of the complainant. The matter is presently pending.

Outstanding criminal litigation against our Company

1. An FIR was filed at the General Branch, Crime Branch, Criminal Investigation Department, Mumbai on September 10, 1996 ("**FIR**") against *inter alia* our Company and Rafique A. Malik under Section 120(B), read with Sections 465, 467, 468, 471, 419, 420 and 403 of the IPC on the alleged grounds that certain leather co-operative societies, formed to help cobblers in their business, were instead extracting money from banks and financial institutions, which was being misappropriated by the co-operative societies and the persons named in the FIR. Our Company's head office, go-down, showrooms of the Company were sealed and its bank accounts were frozen by the Mumbai police. Pursuant to a writ petition filed before it, the Division Bench of the High Court of Bombay passed an order on August 19, 1997 unsealing the properties and unfreezing the bank accounts of the Company, on the grounds that the Mumbai police had abused their power and infringed on the rights of our Company. The Mumbai police's appeal against the order dated August 19, 1997 was dismissed by the Supreme Court of India on April 28, 2000.

Six charge-sheets were also filed in 1997 against *inter alia* Rafique A. Malik, including in his capacity as a director of our Company, in relation to five banks and a state finance corporation, from where the loans that were alleged to have been misappropriated were availed. Rafique A. Malik has filed discharge applications against these charge-sheets. The matter is presently pending.

2. An application was filed on December 22, 2017 by Ajay Jagga, a customer, before the Sub-Divisional Magistrate, Central, Union Territory of Chandigarh ("**Magistrate Court**") against our Company and Gulshan Kumar, manager of the store at Sector 17-C, Chandigarh, for selling shoe polish with a retail price that had not accounted for the reduction of GST of 28% on the price of the polish, whereas the GST had been reduced to 18%, in violation of the prohibitory order passed by the relevant District Magistrate, directing that the seller pass on the benefit of lower taxation to the customer, which in this case was ₹ 7.74. An order was passed by the Magistrate Court on March 6, 2018, forwarding the matter to the Sector 17, Union Territory of Chandigarh Police Station for lodging an FIR and presenting the matter before a competent court. Pursuant to the same, an FIR dated March 8, 2018 ("**FIR**") was accordingly filed at the Central Sector 17, Chandigarh Police Station under Section 188 of the IPC. Our Company has filed a petition in August, 2018 under Section 482 of the Cr.P.C before the High Court of Punjab and Haryana ("**High Court**") challenging the prohibitory order passed by the District Magistrate and seeking to *inter alia* quash the FIR. By way of order dated August 28, 2018, the High Court has directed that the matter in the being heard in the trial court be adjourned till the hearing of the petition in connection with the matter in the High Court. The matter is presently pending.

3. Three separate complaints were filed on December 31, 2018 (“**Complaints**”) by the inspector appointed under the West Bengal Shops and Establishments Act, 1963 and the rules thereunder (“**Inspector**”) against our Company pursuant to his inspection of the City Center, Kolkata outlet of our Company on November 12, 2018. The Inspector, in course of his inspection, noted *inter alia* that (i) the leave register, the pay register and the register of employees in the appropriate formats had not been produced, (ii) the registration certificate under the West Bengal Shops and Establishments Act, 1963 had not been displayed, (iii) appointment letters in the appropriate format had not been produced, (iv) whether registration had been completed could not be ascertained since registration certificate had not been produced, and issued an inspection note directing our Company to rectify the defects noted, and produce the relevant records and registers. Thereafter, three show cause notices were issued against our Company on November 30, 2018 for the alleged violations of the West Bengal Shops and Establishments Act, 1963 and the rules thereunder. The Complaints were subsequently filed and the Additional Chief Judicial Magistrate, Bidhannagar, North 24 Parganas by way of orders dated December 31, 2018 has issued process against our Company under Section 204 of the Cr.P.C. in connection with each of the three complaints. The matters are presently pending.
4. A complaint dated October 19, 2012 (“**Complaint**”) has been filed against our Company by the Inspector of Legal Metrology, Jayanagar (“**Inspector**”) before the Additional Chief Metropolitan Magistrate, Bangalore. The Complaint alleges that upon inspection, the Inspector found that the Jayanagar outlet of our Company had, in violation of Section 18 of the Legal Metrology Act, 2009 and the rules thereunder, five pre-packed packages of ‘Active’ shoes and eight pre-packed packages of ‘Dora Explorer’ shoes for the purpose of sale without complete declarations regarding size, consumer details. The matter is presently pending.

Actions by statutory or regulatory authorities

1. Our Company has received notice dated May 13, 2019 from the Joint Commissioner of Labour, Hyderabad (Twin Cities) under the Minimum Wages Act, 1948 (“**Minimum Wages Act**”) seeking clarification regarding alleged non-payment of overtime wages, based on an inspection carried out on April 10, 2019. Accordingly, a claim for approximately ₹ 0.76 million was made against our Company by the Assistant Labour Officer, Circle-10, Hyderabad and the Inspector under the Minimum Wages Act. Our Company has submitted reply dated July 6, 2019 stating the number of hours worked by employees at the showroom located in Ravi Chambers, Nagarjuna Circle, Road No.1, Banjara Hills, Hyderabad was within the prescribed limits under the Minimum Wages Act, read with the Telangana Shops and Establishments Act, 1988, and did not require payment of overtime wages. The matter is presently pending.
2. Our Company has received a notice dated February 8, 2019 (“**Notice**”) from the Inspector Minimum Wages, Labour Welfare Facilitation Centre, Bally Municipality, Howrah, Government of West Bengal for alleged infringement of various provisions of the West Bengal Shops and Establishment Act, 1963 and the rules made thereunder. The Notice alleged that our Company had *inter alia* not produced the register of employees on demand, not produced the registration certificate on demand or displayed it at a conspicuous place, not given one and a half day holiday consecutively to employees. The matter is presently pending.
3. Our Company has received two notices dated March 19, 2019 from the Labour Inspector, Kamrup (M), Guwahati, Office of the Assistant Labour Commissioner, Government of Assam (“**Notices**”), directing the Company to furnish the salary statement of the employees and workers engaged in two branches of our Company in Guwahati, in order for the department to identify whether their salaries were compliant with applicable government notifications. The appointment letters issued to the workers and employees was also required to be submitted, along with self-declarations that *inter alia* no child labour was employed, salaries were paid as per government notifications and paid directly to the bank accounts of the respective employees. Our Company has submitted its replies to the Notices. The matters are presently pending.
4. Our Company has received two show cause notices dated March 25, 2019 (“**Notices**”) from the Senior Labour Inspector, Bangalore, Department of Labour, Government of Karnataka pursuant to inspection notes that were issued to our Company after two of our Company’s outlets in Whitefield and Brookfield Mall, Bangalore were inspected on March 23, 2019. The Notices directed our Company to submit compliance reports in relation to the inspection notes, under the provisions of, *inter alia*, the Karnataka Shops and Commercial Establishments Act, 1961 and the rules made thereunder, the Payment of Wages

Act, 1936 and the Minimum Wages Act, 1948, within three days of receipt of the Notices. The matter is presently pending.

5. Our Company has received a notice dated March 29, 2019 (“**Notice**”) from the Senior Labour Inspector, Bangalore directing our Company’s outlet in Mahadevpura to submit registers and records required to be maintained under *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, the Minimum Wages Act, 1948 and the Payment of Wages Act, 1936. The Notice also noted that the outlet had not produced the wage register during inspection. The matter is presently pending.
6. Our Company has received a notice dated March 27, 2019 (“**Notice**”) from the Senior Labour Inspector, Belgavi for alleged non-compliance by our Company’s outlet in Belgavi of certain provisions of the Karnataka Shops and Commercial Societies Act, 1961 and the Payment of Wages Act, 1936. The Notice noted *inter alia* that the registration certificate had not been displayed, the attendance register was not maintained in the stipulated form and salary slips had not been issued. The matter is presently pending.
7. Our Company has received a notice dated August 5, 2019 (“**Notice**”) from the Senior Labour Inspector, Belgavi directing our Company’s outlet in Belgavi to submit registers and records required to be maintained under *inter alia* the Karnataka Shops and Commercial Societies Act, 1961 and the Minimum Wages Act, 1948. The matter is presently pending.
8. Our Company has received a notice dated April 5, 2019 (“**Notice**”) from the Senior Labour Inspector, Bangalore directing our Company’s outlet in Whitefield Main Road to submit registers and records required to be maintained under *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, the Minimum Wages Act, 1948 and the Payment of Wages Act, 1936. The Notice also noted that the outlet had not produced the wage register during inspection. The matter is presently pending.
9. Our Company has received a notice dated June 20, 2019 from the Senior Labour Inspector, Mangalore, for alleged violations by our Company’s outlet in Mangalore of certain provisions of legislations, including *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, Minimum Wages Act, 1948 and Equal Remuneration Act, 1976. These included failure to register the organisation, failure to produce leave register, salary register, and to provide weekly holiday. The matter is presently pending.
10. Our Company has received an inspection note dated October 21, 2020 from the Senior Labour Inspector, Belgavi for alleged violations by our Company’s outlet in Belgavi of certain legislations, including *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, the Payment of Wages Act, 1936 Minimum Wages Act, 1948 and Equal Remuneration Act, 1976. These included failure to issue appointment letter, maintain leave register and register of attendance and wages. The matter is currently pending.
11. Our Company has received two inspection notes dated August 21, 2020 from the Labour Inspector, Vijayapura alleging violations of legislations including *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, Payment of Wages Act, 1936, Minimum Wages Act, 1948 and the Karnataka Industrial Organization (National and Festival Holidays) Act, 1963 by our Company’s outlet in Vijapur. These include failure to register the organization, failure to produce visitor book and paid leave register, failure to provide appointment orders or workers in the appropriate form, failure to display minimum wage act and rules form required, failure to maintain a wage and attendance register and failure to submit the list of national and festival holidays for 2019 – 2020. The matters are presently pending.
12. Our Company has received notice dated March 30, 2021 from the Labour Inspector, Circle No. 4, Ludhiana alleging failure by our Company’s outlet in Ludhiana to submit annual returns on time. Accordingly, documents such as the registration certificate of the institution, returns to be submitted under various labour laws and attendance register were directed to be produced. The matter is presently pending.
13. Our Company has received notice dated May 15, 2019 from the Senior Labour Inspector, Bangalore alleging violations of legislations including *inter alia* the Karnataka Shops and Commercial Societies Act, 1961, Payment of Wages Act, 1936, Minimum Wages Act, 1948 by our Company’s outlet in Jayanagar, noted pursuant to inspection dated March 28, 2019. The matter is presently pending.
14. Our Company has received a notice dated May 20, 2019 (“**Notice**”) from the Labour Enforcement Officer (Central), Ministry of Labour and Employment, Government of India, alleging non-compliance by a Ludhiana outlet of our Company with provisions of the Payment of Gratuity Act, 1972 and the rules

made thereunder in relation to *inter alia* not providing notice of opening of the establishment, not intimating the change in the name and address of the employer and not displaying the Payment of Gratuity Act, 1972 and the rules at a conspicuous place or near the entrance in English and the vernacular language understood by most employees. Our Company has replied to the Notice, which has been received on July 1, 2019, stating that the observations in the Notice have been complied with. The matter is presently pending.

15. Our Company has received an inspection remark dated March 2, 2019 from the facilitator under the Maharashtra Shops and Establishment (Regulation of Employment and Condition of Service) Act, 2017 and the rules thereunder, alleging certain non-compliances by our outlet in Nashik. These include *inter alia* employees working more than nine hours a day and more than 48 hours per week, non-maintenance of attendance register or register of employees, in the prescribed form and the complete nameplate with the name of the store in the regional language not being displayed. The matter is presently pending.
16. Our Company has received two inspection remarks dated March 27, 2019 from the Deputy Labour Commissioner, Nashik pursuant to an inspection at our Company's outlet, alleging non-compliances with legislations including the Maharashtra Shops and Establishment (Regulation of Employment and Condition of Service) Act, 2017 and the Minimum Wages Act, 1948. These include *inter alia* employees working more than nine hours a day and more than 48 hours per week, non-maintenance of attendance register or register of employees, in the prescribed form and non-submission of pay register and attendance register. The matter is presently pending.
17. Our Company has received a show-cause notice dated June 23, 2019 from the Office of the Assistant Labour Commissioner, Thrissur ("**Notice**") alleging that the register and records which were sought by way of an inspection note dated January 1, 2019 ("**Inspection Note**") had not been submitted and the defects highlighted by way of the Inspection Note had not been rectified. The alleged offences included non-compliance with certain provisions of the Minimum Wages Act, 1948 and the Kerala Shops and Commercial Establishments Act, 1960 since it had failed to *inter alia* maintain and produce a register of wages in the appropriate form, pay and disburse wages to employees through individual bank accounts, maintain and produce a muster roll of workers as required, and maintain and produce a register of holidays and leave. The matter is presently pending.
18. Our Company has received an investigation note pursuant to investigation dated November 21, 2018 from the Assistant Labour Commissioner, Bhavnagar alleging non-compliances by the showroom of our Company under the Minimum Wages Act, 1948 and rules thereunder, including *inter alia* non-submission of attendance register, salary register, over-time register, failure to file annual form in the appropriate format, issue salary slip, maintain inspection register and pay overtime wages. The matter is presently pending.
19. Our Company has received an inspection note from the Labour Inspector, Banjara Hills and Jubilee Hills, Hyderabad, alleging non-compliances including *inter alia* non-submission of salary register, leave register and advance register in appropriate form, failure to issue appointment letter, in the form of a hand-written note, in the absence of an inspection register at the showroom of our Company. The matter is presently pending.
20. Our Company has received two inspection notices pursuant to inspection dated June 3, 2019 from the Assistant Labour Commissioner, Jamnagar alleging non-compliances by the showroom of our Company under the Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965 and the rules thereunder, including not sending notice for change in name within the stipulated time, failure to pay workmen within 30 days of it becoming due, failure to maintain register of bonus or pay bonus. The matters are presently pending.
21. Our Company has received three inspection remarks dated November 22, 2019 from the Government Labour Officer, Jamnagar alleging violations of *inter alia* the Payment of Bonus Act, 1965, the Payment of Gratuity Act, 1972 and also directing our Company to produce attendance register, overtime register, pay slips and other documents. The matters are presently pending.
22. Our Company has received an investigation report pursuant to inspection dated March 5, 2020 from the Assistant Labour Officer, Feroke alleging non-compliance by the showroom of our Company under the Kerala Shops and Commercial Establishments Act, 1960 and the Minimum Wages Act, 1948 and the rules thereunder including *inter alia* failure to display the registration certificate, maintain service

records, register of wages, muster roll and failure to pay extra wages to overtime work. The matter is presently pending.

23. Our Company has received an investigation report pursuant to inspection dated May 16, 2019 from the Assistant Labour Officer, Kozhikode alleging non-compliance under the Kerala Shops and Commercial Establishments Act, 1960 and the Minimum Wages Act, 1948 and the rules thereunder including *inter alia* non-registration of the showroom of our Company, failure to maintain service records, wage register, wage slip and muster rolls. The matter is presently pending.
24. Our Company received an inspection note (“**Inspection Note**”) dated August 27, 2019 from the Shops and Establishment Inspector, Bhopal Sambhag, Bhopal, noting that the showroom of our Company was open on a non-working day. Our Company has replied to the Inspection Note, which reply has been received on September 6, 2019, stating that our Company, being a member of the Retailer’s Association of India, as per a circular dated June 25, 2012, applicable in Madhya Pradesh, is entitled to keep the showroom open on all days, including national holidays, subject to providing compensatory leave off in lieu of the same. The matter is presently pending.
25. Our Company has received an inspection note dated October 13, 2021 from the Senior Labour Inspector, Mangaluru, alleging non-compliances by the showroom of our Company under *inter alia* the Karnataka Shops and Commercial Organizations Act, 1961 and rules thereunder, the Minimum Wages Act, 1948 and state rules thereunder, the Payment of Gratuity Act, 1936 and state rules thereunder, including *inter alia* failure to maintain payroll book, vacation register, fine book, advance book and maintain record of overtime wages. The matter is presently pending.
26. Our Company has received notices dated September 19, 2019 and February 28, 2020 (“**Notices**”), from the Sub-Regional office, Mangaluru, Employees’ State Insurance Corporation, alleging failure to pay employees’ state insurance contribution for the period from April 2016 to February 2019 in respect of our Company’s outlet at Mangalore, and demanding payment of the contributions due. Our Company has replied to the Notices, stating that owing to employees’ difficulty in availing benefits under the initial sub-code allocated, the Employees’ State Insurance regional office had suggested using our Company’s alternative sub-code number for making contributions. Accordingly, our Company had made regular contributions under the alternative sub-code and its main code number. While other proof of remittance has been provided, our Company has requested for time to provide proof of remittance for the period from April 2016 to June 2016 in view of the COVID-19 pandemic. The matters are presently pending.
27. Our Company has received four notices, each dated December 11, 2019 (“**Notices**”) from the Sub-Regional Office, Alkapuri Baroda, Employees’ State Insurance Corporation (“**ESI Baroda**”), alleging failure to pay employees’ state insurance contribution for certain months in 2011, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and the whole of 2012 for our Company’s outlets at Vadodara, and seeking damages for a cumulative amount of ₹ 0.08 million. Our Company has replied to the Notices stating that contribution for the periods mentioned in the Notices had already been made within the stipulated time, and in two instances after the due date, and enclosing copies of the respective challans. ESI Baroda has also issued a notice dated December 11, 2019 to the Regional Office of the Employees’ State Insurance Corporation at Lower, Parel, Mumbai, for checking the compliance status of the sub-code allotted to our Company and to confirm that the sub-code number allocated to our Baroda branches remain operational, to ensure compliance. The matters are presently pending.
28. Our Company has received two notices dated January 16, 2020 and January 10, 2020 (“**Notices**”) from the Regional Office, Karnataka, Employees’ State Insurance Corporation alleging non-payment of contribution toward employees’ state insurance, for which interest and damages aggregating to ₹ 469 would need to be paid. Our Company has responded to the Notices on February 28, 2020 stating that contributions had been duly made at the relevant times and in certain cases, after the due dates, and enclosing the applicable challans. The matters are presently pending.
29. Our Company has received an inspection report dated February 11, 2020 (“**Inspection Report**”) from the Assistant Labour Officer, Thiruvananthapuram for alleged non-compliance with certain provisions of *inter alia* the Minimum Wages Act, 1948 and the Kerala Shops and Commercial Establishments Act, 1960, and directing the relevant outlet of our Company to rectify the defects and produce relevant registers and records. Further to the Inspection Report, our Company has received a show-cause notice dated March 18, 2020, for not producing the relevant registers and records or rectifying the defects highlighted in the Inspection Report. The matter is presently pending.

30. Our Company has received a notice dated February 26, 2020 (“**Notice**”) from the Sub-Regional Office, Marol, Employees’ State Insurance Corporation alleging that regular contribution for the month of March, 2015 amounting to ₹ 5,522 in relation to our Company’s outlet at Malad had not been made. Our Company has responded to the notice, which has been received on March 19, 2021, stating that the contribution had already been made, and enclosing the relevant challan. The matter is presently pending.
31. Our Company has received a notice dated November 11, 2020 (“**Notice**”) from the Regional Office, Jaipur, Employees’ State Insurance Corporation alleging that contribution had not been made from the month of February 2019 onwards for our Company’s outlet. Our Company has replied to the Notice on April 28, 2021 stating that the contribution had already been made, and enclosing the relevant challans. The matter is presently pending.
32. Our Company has received notice dated October 22, 2021 from the Sub-Regional Office, Nagpur, Employees’ State Insurance Corporation alleging that contribution for the period from February 2019 to December 2019, amounting to ₹ 0.12 million in relation to our Company’s outlet at Nagpur had not been made. The matter is presently pending.
33. Our Company has received two inspection reports dated June 26, 2019 from the Senior Labour Inspector, Mangalore for alleged non-compliance with certain provisions of *inter alia* the Minimum Wages Act, 1948, the Equal Remuneration Act, 1976, the Labour Welfare Fund Act, 1965 and the Karnataka Shops and Commercial Establishments Act, 1961, and directing the relevant outlets of our Company to rectify the defects and produce relevant registers and records. The matters are presently pending.
34. Our Company has received two notices, each dated April 1, 2021 (“**Notices**”) from the Sub-Regional Office, Nashik, Employees’ State Insurance Corporation alleging that contribution had not been made for the period from November 2010 to March 2021 for two of our Company’s outlets in Nashik, at Nashik City Center. Our Company had responded to the Notices on April 30, 2021 and May 24, 2021 seeking time for submission of the response, and has thereafter responded on May 7, 2021 and May 26, 2021 stating that the Nashik outlets had been allotted two sub-codes, and the payment for the relevant period was initially made under one sub-code and later under the other, for each of the outlets. While the proof of remittance for the period between July 2012 to March 2021 has been submitted, our Company has requested for time to provide proof of remittance for the period from November 2010 to July 2012, as the Company has been unable to access records due to the lockdown in view of the COVID-19 pandemic. Further, we have received communication dated October 18, 2021 acknowledging our submissions dated May 24, 2021 and May 25, 2021 and advising that ESIC compliance be made regularly against the appropriate code. The matters are presently pending.
35. Our Company has received two notices, each dated September 20, 2019 (“**Notices**”) from the Sub Regional Office, Mangalore, Employees’ State Insurance Corporation alleging that contribution had not been made for months in 2011, 2012, 2013, 2014 and 2015 for two of our Company’s outlets in Mangalore. Our Company has responded to the Notices on October 11, 2019, stating that the relevant contributions had been name, and providing proof of remittance. The matters are presently pending.
36. Our Company has received a notice dated October 11, 2021 from the Regional Office, Telangana, Employees’ State Insurance Corporation alleging that contribution had not been made since June 2016, for an outlet of our Company which is to be closed. The notice, in connection with the closure of the outlet, *inter alia*, also asked our Company to submit documents such as surrender of labour license to the labour department, disconnection of power, profit and loss accounts and bank statements, etc.
37. Our Company has received a notice dated July 20, 2021 from the Deputy Labour Commissioner, National Capital Territory of Delhi alleging non-payment of earned wages and alleged illegal termination concerning the employees of the Southern Extension, New Delhi outlet of our Company, and directing that certain documents and registers required to be maintained under the Minimum Wages Act, 1948 and the Delhi Shops and Establishment Act, 1954 and the rules made under each, be produced. The matter is presently pending.
38. Our Company has received a seizure notice (“**Notice**”) dated July 29, 2018 from the Department of Legal Metrology, Government of Karnataka alleging sale of slippers at a price higher than the maximum retail price of the product, by levying GST upon the maximum retail price instead of reducing the pre-GST price, in violation of the Legal Metrology Act and the Legal Metrology (Packaged Commodities) Rules, 2011. Our Company has responded to the Notice on September 20, 2018 stating that owing to an internal server error, the revised GST rate was made effective from August 1, 2018 and the benefit thereof was

passed on to the customer, instead of the intended effective date of July 27, 2021. The matter is presently pending.

39. Our Company has received notice dated October 21, 2016 from the Senior Inspector, Legal Metrology, Lucknow stating that a product being sold at our Company's outlet in Lucknow Mall was non-standard in size and was accordingly violative of *inter alia* the Legal Metrology Act, 2009 and the Packaged Commodities Rules, 2011. The matter is presently pending.
40. Our Company has received a notice dated May 14, 2019 from the Inspector, Legal Metrology, Ghaziabad stating that an imported handbag which was sold at our Company's outlet in Ghaziabad did not have the size mentioned on the packaging and was accordingly violative of the Legal Metrology Act, 2009 and the Packaged Commodities Rules, 2011. The matter is presently pending.
41. Our Company has received a notice dated January 7, 2021 from the Senior Inspector, Legal Metrology, Ghaziabad stating that on a packet of shoes retailed by an outlet of our Company, the net quantity had not been mentioned at a specific visible place and was accordingly violative of *inter alia* the Legal Metrology Act, 2009 and the Packaged Commodities Rules, 2011. A subsequent notice was sent to our Company on April 12, 2021, in relation to the same proceeding. The matter is presently pending.
42. Our Company has received a notice dated October 21, 2019 from the Senior Inspector, Legal Metrology, Prayagraj stating that on a pair of shoes retailed by an outlet of our Company, the size had not been mentioned in centimeter, and was accordingly violative of *inter alia* the Legal Metrology Act, 2009. The matter is presently pending.
43. A seizure receipt dated October 29, 2021 has been issued to our Company by the Inspector of Legal Metrology, Ballari - 1, alleging violations of Rules 6(1) and 36(1) of the Legal Metrology (Packaged Commodities) Rules, 2011 and the Legal Metrology Act, 2009, for failure to make mandatory declarations on packages. The matter is presently pending.
44. A notice dated December 7, 2021 ("**Notice**") has been issued to our Company by the Legal Metrology Officer, Aligarh, Uttar Pradesh, alleging violation of Sections 18 (1) and 36(1) of the Legal Metrology Act, 2009 read with Rule 7 of the Legal Metrology (Packaged Commodities) Rules, 2011, in relation to packaging of our products. Pursuant to the Notice the Company has been provided an option to submit a mitigation application to dispose of the matter. The matter is presently pending.

Other pending material litigation

Other pending material litigation against our Company

1. An application under Order XIII A and Section 151 of the Code of Civil Procedure, 1908 dated November 26, 2021 has been filed by Consitex S.A. against our Company, alleging that the mark 'ZENA' used by our Company was deceptively similar to the mark 'ZEGNA' claimed to be owned by Consitex S.A. and other companies of the 'ZEGNA' group. Consitex S.A. has sought *inter alia* a permanent injunction restraining our Company from using the trademark 'ZEGNA' and its variants, and for an order directing our Company to pay a sum of approximately ₹ 61.58 million, including towards costs and damages. The matter is presently pending.

Other pending material litigation by our Company

2. Our Company has filed a suit in 2018 ("**Suit**") against Flipkart India Private Limited and Tech-Connect Retail Private Limited ("**Defendants**") before the High Court of Bombay ("**Bombay High Court**"), alleging infringement, passing off and unfair trade practices by the Defendants in using the mark 'METRONAUT' ("**Mark**"), which is deceptively similar to our Company's mark 'Metro'. Through the Suit, our Company has *inter alia* sought a perpetual injunction restraining the Defendants, their partners, servants, agents, clearing and forwarding agents, stockists, selling agents and associated persons from selling, offering for sale any goods bearing the Mark or using the Mark on their websites, by itself or with any pre-fix, suffix etc. or any other similar mark registered by our Company, and from passing off goods with such marks. Our Company has also sought damages of ₹ 10 million, along with the profits accrued to the Defendants through use of the impugned Mark. A temporary injunction was also sought by our Company restraining the Defendants from using the Mark in any form pending disposal of the Suit. The matter is presently pending.

3. On June 22, 2010 the Parliament of India enacted the Finance Act, 2010 and through Section 76(A)(6)(h) and Section 77, retrospectively amended the Finance Act, 1994 from April 1, 2007 such that renting of immovable property even for commercial use would be taxable for service tax. Our Company filed a writ petition on July 16, 2010 before the High Court of Bombay (“**Bombay High Court**”) challenging the constitutional validity of the provision. While the Bombay High Court passed an order on July 30, 2010, directing that no coercive action be taken against our Company, the writ petition was dismissed on August 4, 2011 (“**August 2011 Order**”). Our Company thereafter filed a Special Leave Petition before the Supreme Court of India (“**Supreme Court**”) on September 19, 2011 challenging the August 2011 Order and the validity of legislation imposing service tax on renting immovable property. An order was passed by the Supreme Court on September 29, 2011 directing that no coercive steps be taken against our Company for recovery of arrears of service tax due on or before September 30, 2011. Subsequently, an interim order was passed by the Supreme Court on October 14, 2011 directing that the appellants, including our Company, to deposit 50% of the arrears towards the tax claimed with the relevant department within six months in three installments and for the remaining 50%, to furnish a solvent surety to the satisfaction of the jurisdictional commissioner of tax. The successful party in the appeals would be entitled to interest on the amount deposited. Accordingly, our Company has deposited a sum of ₹ 18.13 million in three instalments, which is 50% of the arrears of the service tax payable for the period from June 1, 2007 and September 30, 2011, being approximately ₹ 36.26 million. Our Company has also deposited the remaining 50% under protest, though it was not required to make such payment as per the order of the Supreme Court. The matter is presently pending.

B. Litigation involving our Subsidiary

Nil

C. Litigation involving our Promoters

Outstanding criminal litigation

Other than as disclosed in “*Litigation involving our Directors - Outstanding criminal litigation*” on page 334, there is no outstanding criminal litigation against our Promoters.

Other pending material litigation

Other than as disclosed in “*Litigation involving our Directors – Other pending material litigation*” on page 335, there is no outstanding material litigation against our Promoters.

D. Litigation involving our Directors

Other than as disclosed in “*Litigation involving our Company*”, our Directors are party to the following proceedings:

Outstanding criminal litigation

Outstanding criminal litigation against our Directors

Rafique A. Malik

1. Pursuant to an FIR filed at the Colaba Police Station on October 5, 1999, the Municipal Corporation of Greater Mumbai has filed a criminal complaint before the Magistrate’s 41st Court at Shindewadi, Dadar (“**Shindewadi Court**”) against Rafique A Malik alleging that unauthorized changes were made to the structure of the building ‘Metro House’ without obtaining requisite permissions from the Municipal Commissioner as required under the Maharashtra Regional and Town Planning Act, 1966 (“**Town Planning Act**”). While Metro House is leased from the Bombay Port Trust by Metro House Private Limited, of which he is a director, summons have been issued by the Shindewadi Court against Rafique A. Malik himself, under the Town Planning Act. Accordingly, Rafique A. Malik filed a discharge application before the Shindewadi court, which was rejected on January 25, 2001 (“**January 2001 Order**”). A revision petition was filed by Rafique A. Malik before the Court of Sessions for Greater Bombay against the January 2001 Order, which was dismissed on September 20, 2008 (“**September 2008 Order**”). Thereafter Rafique A. Malik filed a criminal application under Section 482 of the Cr.P.C. before the High Court of Bombay challenging the September 2008 Order and seeking a stay on the

Shindewadi Court proceedings. The High Court of Bombay has, *vide* order dated June 15, 2009 granted a stay on the proceedings. The matter is presently pending.

Manoj Kumar Maheshwari

- Manoj Kumar Maheshwari had filed a revision application before the Sessions Court, Greater Mumbai (“**Sessions Court**”), against a decision dated November 2, 2017, for issuance of process (“**Impugned Decision**”). The matter involved allegations in relation to appointment of trustees of a public charitable trust and alleged violations of certain sections of the IPC by the applicant. The Sessions Court has granted a stay over the Impugned Decision. The matter is currently pending.

Other pending material litigation against our directors

Rafique A. Malik

A suit was filed before the High Court of Bombay in 1983 by Pushpaben Prabudas Jamnadas and another (“**Plaintiffs**”) against Tulsidas V. Patel Private Limited (“**Defendant**”), to which Rafique A. Malik has been impleaded as a party. The Plaintiffs claim that on the basis of a sale agreement dated January 23, 1974 (“**Sale Contract**”) between Mrs. P.J Vora and the Defendant, the Plaintiffs are entitled to a specific apartment on the 19th floor of the Kanchanjunga Building, on Pedder Road, in Mumbai. However, the Plaintiffs allege that the Defendant *inter alia*, amalgamated certain parts of the apartment on the 19th floor, to which the Plaintiffs were entitled, with an apartment on the 20th floor purchased by Rafique A. Malik and his family by way of an agreement in 1978, which was rectified in 1985. Accordingly, the Plaintiff has claimed performance of the Sale Contract and alternatively, *inter alia* compensation of approximately INR 1.70 million, with interest at the rate of 18% per annum and an additional INR 6.64 million. An order was passed on July 20, 2021 by the City Civil Court of Greater Bombay, holding the Plaintiffs’ claim barred by limitation, against which an appeal dated September 13, 2021 has been filed by the Plaintiffs before the High Court of Bombay.

E. Tax proceedings against our Company, Subsidiary, Promoters and Directors

Set out below are details of claims relating to direct and indirect taxes involving our Company, Subsidiary, Promoters and Directors:

Nature of case	Number of cases	Demand amount involved (₹ million)*
<i>Our Company</i>		
Direct tax	2	1.02 [#]
Indirect tax	10	74.56
<i>Subsidiary</i>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
<i>Promoters</i>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
<i>Directors</i>		
Direct tax	1 ^{**}	0.22
Indirect tax	Nil	Nil

* To the extent quantifiable

** Pertaining to Aruna Advani, our Independent Director.

[#] This includes amount of ₹ 0.56 million of refund as per the assessment order dated June 23, 2020, which has been adjusted by the authorities against various assessment years demands.

F. Litigation involving our Group Companies

As on the date of this Prospectus, there is no pending material litigation involving our Group Companies.

G. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material (“**Material Creditors**”) for the purpose of disclosure in this Prospectus, if amounts due to such creditor by our Company is equal to, or in excess of, 5% of the consolidated trade payables of our Company as at the end of the latest period in the Restated Consolidated Financial Information (i.e., as at September 30, 2021). Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹ 117.77 million as on September 30, 2021. The details of our outstanding dues to material creditors, micro, small and medium enterprises, and other creditors, as of September 30, 2021 are as follows:

Particulars	Number of creditors	Amount involved (in ₹ million)
Micro, small and medium enterprises*	24	57.70
Material Creditors	1	180.19
Other creditors	732 [#]	2,117.51 ^{**}
Total	757	2,355.40

* As defined under the Micro, Small and Medium Enterprises Development Act, 2006.

**It includes ₹ 0.19 million, which related to Subsidiary’s creditor balance and rounding off difference.

[#]The amount includes provision for various expenses and other employee payables amounting to ₹ 700.89 million, for which the number of cases has been taken as ‘Nil’.

For further details about outstanding overdues to Material Creditors as on September 30, 2021, along with the name and amount involved for each such Material Creditor, see <https://metrobrands.com/corporate-governance/>.

It is clarified that such details available on our Company’s website do not form a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company’s website, <https://metrobrands.com/corporate-governance/>, would be doing so at their own risk.

H. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 282, there have been no material developments, since the date of the last financial statements disclosed in this Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of its assets or its ability to pay liabilities.

GOVERNMENT AND OTHER APPROVALS

Set out below is a list of all material approvals, consents, licenses, registrations and permits obtained by our Company, which are necessary for undertaking our business. Further, we have obtained all material consents, licenses, permissions, registrations, permits and approvals, from various governmental statutory and regulatory authorities, which are necessary for undertaking the current business activities and operations of our Company. We have also disclosed below (i) the material approvals applied for, including renewal applications made, but not received; (ii) the material approvals which have expired and renewal for which are yet to be applied for; and (iii) the material approvals which are required but not obtained or applied for. For further details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” on page 178. For incorporation details of our Company, see “History and Certain Corporate Matters” on page 181.

In view of the key approvals listed below, our Company can undertake this Offer, current business activities and operations.

A. Approvals relating to the Offer

For authorisations and consents in relation to the Offer, see the section titled “Other Statutory and Regulatory Disclosures” on page 341.

B. Material approvals relating to our Company

I. Tax and other approvals of our Company

- (i) Permanent account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961: AAACM4754E
- (ii) Tax deduction and collection account number issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961: MUMM19987C
- (iii) Professions and Trades Registration numbers issued by the respective sales tax departments, under applicable state legislations on professions, trades, callings and employments:

Sl. No.	State	Registration Number
1.	Andhra Pradesh	37022167918
2.	Bihar	10AAACM4754E
3.	Jharkhand	20300810774
4.	Maharashtra	27820002601P
5.	Madhya Pradesh	78519004524
6.	Gujarat	PEC010673001402, PEC016730977, PEC015152690, PEC010628003974, PEC010515005831, PEC011261384, PENO140010022, PENO14009984, PEC013141534, PEC010728003460, PEC015132962, PEC021014505, PEN113007157, PEC040038305, PEC040072780
7.	West Bengal	192018555102, 192042983679, 192042906855, 192070312265, 192042723331, 192042719257, 192070312459, 192001582236, 192019538973, 192001582139

- (iv) Identification numbers issued under the Goods and Service Tax Act, 2017 by the Government of India and state governments, as applicable:

Sl. No.	State	Registration Number
1.	Andhra Pradesh	37AAACM4754E1ZK
2.	Arunachal Pradesh	12AAACM4754E1ZW
3.	Assam	18AAACM4754E1ZK
4.	Bihar	10AAACM4754E1ZO
5.	Chandigarh	04AAACM4754E1ZT

Sl. No.	State	Registration Number
6.	Chattisgarh	22AAACM4754E1ZV
7.	Delhi	07AAACM4754E1ZN
8.	Goa	30AAACM4754E1ZY
9.	Gujarat	24AAACM4754E1ZR
10.	Haryana	06AAACM4754E1ZP
11.	Jammu and Kashmir	01AAACM4754E2ZY
12.	Jharkhand	20AAACM4754E1ZZ
13.	Karnataka	29AAACM4754E1ZH
14.	Kerala	32AAACM4754E1ZU
15.	Madhya Pradesh	23AAACM4754E1ZT
16.	Maharashtra	27AAACM4754E1ZL, 27AAACM4754E2ZK
17.	Manipur	14AAACM4754E1ZS
18.	Meghalaya	17AAACM4754E1ZM
19.	Nagaland	13AAACM4754E1ZU
20.	Odisha	21AAACM4754E1ZX
21.	Puducherry	34AAACM4754E1ZQ
22.	Punjab	03AAACM4754E1ZV
23.	Rajasthan	08AAACM4754E1ZL
24.	Sikkim	11AAACM4754E1ZY
25.	Tamil Nadu	33AAACM4754E1ZS
26.	Telangana	36AAACM4754E1ZM
27.	Tripura	16AAACM4754E1ZO
28.	Uttar Pradesh	09AAACM4754E1ZJ
29.	Uttarakhand	05AAACM4754E1ZR
30.	West Bengal	19AAACM4754E1ZI

- (v) Employees' provident fund code MHBAN0036365000, registered with Employees' Provident Fund Organization, Maharashtra (Regional Office).
- (vi) Employees' state insurance code 3132516102, issued by Employees' State Insurance Corporation, Mumbai (Regional Office).
- (vii) Registration under the Contract Labour (Regulation & Abolition) Act, 1970.

II. Business related material approvals

For operating the two warehouses of our Company, we have obtained registrations under the Factories Act, 1948, read with the Maharashtra Factories Rules, 1963.

For operating our stores in India, we require certain approvals/ licenses under the applicable state and central laws, rules and regulations. Our Company obtains these approvals in the ordinary course of business and in the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we apply for their renewal from time to time. The material approvals for the operation of our stores are as follows:

Shops and commercial establishment registrations: In states where our stores are located, registrations under the respective state-level shops and establishment laws, wherever enacted and in force, are required. Apart from registration, such laws also regulate working hours, payment of wages, leave, holidays, terms of service and other conditions of work of persons employed in shops and commercial establishments. The term of such registrations and renewal requirements as well as processes may differ under different state legislations.

Trade Licenses: These licenses are obtained from the respective municipal authorities of areas where such stores are located. These licenses may be subject to renewals from time to time.

III. Material approvals applied for, including renewal applications made, but not received by our Company

Trade license for the following store:

Sl. No.	Brand Format	Location	State
1.	Metro	Door No. 11, AA-Block, Fathima Tower, Anna Nagar, Chennai 600 040	Tamil Nadu

IV. Material approvals required but not applied for by our Company

(i) Trade license for the following stores:

Sl. No.	Brand Format	Location	State
1.	Metro	Shop No. 3, Municipal Building, 18 th June Road, Panaji 403 001	Goa
2.	Crocs	Select CityWalk Mall, S-21(b), 2 nd Floor, Plot No. A-3, District Centre, Saket, New Delhi 110 017	Delhi
3.	Metro	TT Road, Opposite SBI Itanagar Branch, Itanagar Papum Pare District, Itanagar 791 111	Arunachal Pradesh
4.	Crocs	Thangmeiband Meisnam Leikai, Kok Sam Lai Building, Opposite Thau Ground, Imphal 795 001	Manipur

(ii) Registration under the Shops and Establishments Act of the relevant state for the following stores:

Sl. No.	Brand Format	Location	State
1.	Metro	Shop No. 3, Municipal Building, 18 th June Road, Panaji 403 001	Goa
2.	Crocs	Select CityWalk Mall, S-21(b), 2 nd Floor, Plot No. A-3, District Centre, Saket, New Delhi 110 017	Delhi
3.	Metro	Ground and First Floor, Grace Complex, Near Holy Cross School, Circular Road, Dimapur 797 112	Nagaland
4.	Mochi	Ground Floor, E-13, South Extension – II, Delhi 110 049	Delhi
5.	Metro	Shop No. 2&3, F/F 13/9 Padam Singh Road, Karol Bagh, 110 005	Delhi
6.	Metro	No. 163, Ward 9, G.S Road, Shillong 793 002	Meghalaya
7.	Crocs	Thangmeiband Meisnam Leikai, Kok Sam Lai Building, Opposite Thau Ground, Imphal 795 001	Manipur
8.	Metro	TT Road, opposite SBI Itanagar Branch, Itanagar Papum Pare District, Itanagar 791 111	Arunachal Pradesh
9.	Mochi	Plot No. 25A, Kharvel Nagar, Janpath, Bhubaneshwar 751 001	Odisha

V. Material approvals which have expired but renewals not applied for by our Company

(i) Trade licenses for the following stores:

Sl. No.	Brand Format	Location	State
1.	Metro	Shop No. 3 and 5, Gel Church Shopping Complex, Main Road, P.O. GPO, Ranchi 834001	Jharkhand
2.	Metro	No. 163, Ward 9, G.S Road, Shillong 793 002	Meghalaya
3.	Walkway	M/s Motilal Banarsi Lal Complex, opposite ICICI Bank, Saraidhela, Dhanbad 828 127	Jharkhand

- (ii) Registration under the Shops and Establishments Act of the relevant state for the following stores:

Sl. No.	Brand Format	Location	State
1.	Metro	Shop No. 2, 69, Rajpur Road, Dehradun 248 001	Uttarakhand
2.	Metro	Plot No. 501/1741, Shop No. B-3, B-4, Kharvel Nagar, Janpath, Bhubaneshwar 751 001	Odisha

C. Intellectual Property

Our Company owns, amongst others, the trademarks , , , which are brand names under which our products are retailed and the trademark 'Metro Brands'. These trademarks have been registered within various classes under the Trade Marks Act, 1999 and are currently valid.

Further, M/s Metro Shoes has assigned certain trademarks to our Company. For details in relation to the trademarks assigned to our Company, see "*History and Certain Corporate Matters*" on page 181.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board of Directors pursuant to the resolution passed at its meeting dated March 25, 2021 and the Fresh Issue by our Shareholders pursuant to a special resolution passed at their meeting dated March 30, 2021, and the DRHP has been approved by our Board pursuant to the resolution passed at its meeting held on August 19, 2021 and by the IPO Committee by way of its resolution dated August 20, 2021. Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholders pursuant to the resolution passed at its meeting dated July 27, 2021. For further details, see “*The Offer*” on page 60. Further, the Red Herring Prospectus has been approved by our Board pursuant to the resolution passed at its meeting held on December 2, 2021 and this Prospectus has been approved by our Board pursuant to the resolution passed at its meeting held on December 15, 2021.

The Selling Shareholders have consented to participate in the Offer for Sale by way of their respective consent letters as outlined in the table below:

Name of the Selling Shareholder	Number of Offered Shares	Total shareholding of the Selling Shareholder as a percentage of total pre-Offer paid up Equity Share capital (%)	Date of consent	Date of authorisation
Aziza Malik Family Trust*	3,737,000	30.19	August 20, 2021	May 22, 2021
Rafique Malik Family Trust*	3,660,000	29.75	August 20, 2021	May 22, 2021
Alisha Rafique Malik (jointly with Rafique A. Malik)	2,809,000	4.48	November 25, 2021	N.A.
Farah Malik Bhanji (jointly with Rafique A. Malik)	2,809,000	2.99	November 25, 2021	N.A.
Sabina Malik Hadi (jointly with Rafique A. Malik)	2,809,000	2.99	November 25, 2021	N.A.
Zarah Rafique Malik (jointly with Rafique A. Malik)	2,809,000	2.99	November 25, 2021	N.A.
Zia Malik Lalji (jointly with Rafique A. Malik)	2,809,000	2.99	November 25, 2021	N.A.
Rakesh Hridaynarayan Pathak	8,100	Negligible	June 29, 2021	June 29, 2021
Total	21,450,100	76.38		

* Acting through its trustees.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 2, 2021 and September 3, 2021, respectively.

Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoters, Promoter Group, Directors, Selling Shareholders, the persons in control of our Company and the persons in control of our corporate Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court.

Except for Utpal Sheth, who is a director of Trust Asset Management Private Limited, and a director and shareholder of Trustplus Family Office & Investment Advisers (India) Private Limited, none of our Directors are, in any manner, associated with the securities market. Further, there is no outstanding action initiated by SEBI against any of the Directors of our Company in the past five years preceding the date of this Prospectus.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters (to the extent applicable) or Directors have not been declared as fugitive economic offenders.

Each Selling Shareholder, severally and not jointly, confirms that it has not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other governmental authority in India.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, members of Promoter Group and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year.

Our Company's operating profit, net worth and net tangible assets derived from the Restated Consolidated Financial Information included in this Prospectus as at, and for the last three Financial Years are set forth below:

Derived based on the Restated Consolidated Financial Information

(₹ in million)

Particulars (Restated and Consolidated Basis)	Financial year ended		
	2019	2020	2021
Net tangible assets ⁽¹⁾	6,935.89	8,683.55	8,923.66
Monetary assets ⁽²⁾	115.26	104.95	263.16
Monetary assets as a % of net tangible assets (%)	1.66%	1.21%	2.95%
Pre-tax operating profit (excluding other income and finance costs)	2,421.50	2,320.60	496.79
Average operating profit ⁽³⁾	1,746.30		
Net worth ⁽⁴⁾	6,498.66	8,072.89	8,275.70

⁽¹⁾ The restated net tangible assets are defined as sum of total assets excluding right of use assets, intangible assets, intangible assets under development and deferred tax assets (net) deducted by sum of total liabilities excluding related total lease liabilities, as per the restated consolidated financial information. Monetary assets are defined as amount of 'Cash and Cash equivalents' as per the restated consolidated financial information.

⁽²⁾ Average operating profit has been arrived basis average Pre-tax operating profit (excluding other income and finance costs) of three financial year, as per the restated consolidated financial information.

⁽³⁾ Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- (i) Our Company, the Promoters, members of the Promoter Group, the Selling Shareholders and our Directors are not debarred from accessing the capital markets by SEBI;
- (ii) The companies with which our Promoters or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;
- (iii) Neither our Company, nor our Promoters or Directors have been identified as a wilful defaulter (as defined in the SEBI ICDR Regulations);
- (iv) None of our Promoters, to the extent applicable, and Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

- (v) Except for options granted under the ESOP Scheme, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;
- (vi) Our Company, along with the registrar to the Company, has entered into tripartite agreements dated May 30, 2007 and June 5, 2007 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;
- (vii) The Equity Shares of our Company held by our Promoters and the Selling Shareholders are in dematerialised form; and
- (viii) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares existing as on the date of filing of this Prospectus
- (ix) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, as the entire objects of the Offer are proposed to be financed from the Offer proceeds.

Our Company shall not make an Allotment if the number or prospective allottees is less than 1,000 in accordance with Regulation 49(1) of the SEBI ICDR Regulations.

Each Selling Shareholder confirms that the Equity Shares offered by it as part of the Offer for Sale have been held by it in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. AXIS CAPITAL LIMITED, AMBIT PRIVATE LIMITED, DAM CAPITAL ADVISORS LIMITED (FORMERLY IDFC SECURITIES LIMITED), EQUIRUS CAPITAL PRIVATE LIMITED, ICICI SECURITIES LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, AXIS CAPITAL LIMITED, AMBIT PRIVATE LIMITED, DAM CAPITAL ADVISORS LIMITED (FORMERLY IDFC SECURITIES LIMITED), EQUIRUS CAPITAL PRIVATE LIMITED, ICICI SECURITIES LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 20, 2021 IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer have been complied with at the time of filing of this Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be

complied with at the time of filing of this Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.metrobrands.com, or the respective websites of our Promoters, Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, and their respective directors, officers, agents, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer from the Selling Shareholders

The Selling Shareholders accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.metrobrands.com, or the respective websites of our Promoters, Promoter Group or any affiliate of our Company would be doing so at his or her own risk. The Selling Shareholders, their respective directors, affiliates, associates, and officers accept no responsibility for any statements made in this Prospectus, other than those specifically made or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder and its portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Selling Shareholders and their respective representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholders and their respective representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of Jurisdiction

This Offer was made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Prospectus does not constitute an

offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform themselves about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

Neither the delivery of this Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient was in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient was outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that acquired the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of the Red Herring Prospectus and of the Equity Shares, had acknowledged, represented to and agreed with our Company and the BRLMs that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;
4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
6. the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;
7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

10. Our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
11. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that acquired the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of the Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, had deemed to have acknowledged, represented to and agreed with our Company and the BRLMs that it had received a copy of the Red Herring Prospectus and such other information as it deemed necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
10. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as

participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

European Economic Area

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129 (each, a “**Relevant Member State**”), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Regulations, if they have been implemented in that Relevant Member State:

- a. to any legal entity which is a qualified investor as defined under the Prospectus Regulations;
- b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Directive), subject to obtaining the prior consent of the BRLMs; or
- c. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 23 of the Prospectus Directive.

For the purposes of this paragraph, the expression an “offer to the public” in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression “Prospectus Directive” means Regulation (EU) 2017/1129.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

- a. to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;
- b. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of BRLMs for any such offer; or
- c. in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of Equity Shares shall result in a requirement for our Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

“BSE Limited (“**the Exchange**”) has given vide its letter dated September 02, 2021 permission to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Disclaimer Clause of the NSE

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1197 dated September 03, 2021 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, Statutory Auditors, Legal Counsel to our Company as to Indian law, Legal Counsel to the BRLMs as to Indian law, International Legal Counsel to the BRLMs, the BRLMs, the Registrar to the Offer, lenders of our Company (wherever applicable), CRISIL, Monitoring Agency, the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank, to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the time of delivery of this Prospectus.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated December 15, 2021 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI

ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated November 10, 2021 relating to the Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated December 15, 2021 in this Prospectus; and such consent has not been withdrawn as on the date of this Prospectus. The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Our Company has received written consent dated November 26, 2021, from Rajiv Parekh, Architect, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, in respect of the proposal issued, and such consent has not been withdrawn as on the date of this Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public or rights issue during the last five years preceding the date of this Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Other than as disclosed in “*Capital Structure*” on page 75, our Company has not made any capital issues during the three years preceding the date of this Prospectus. Further, as on the date of this Prospectus, our Company does not have any listed Group Companies, Subsidiary or Associate.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage by our Company for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for last five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed promoter of our Company

As on date of this Prospectus, the securities of our Subsidiary are not listed on any stock exchange and our Subsidiary has not made any public issue or rights issue during the ten years immediately preceding the date of this Prospectus. Further, as on the date of this Prospectus our Company does not have a corporate Promoter.

Price information of past issues handled by the BRLMs

A. Axis Capital Limited

1. Price information of past issues handled by Axis Capital Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Tega Industries Limited	6,192.27	453.00	December 13, 2021	760.00	-	-	-
2	Star Health and Allied Insurance Company Limited [^]	60,186.84	900.00	December 10, 2021	845.00	-	-	-
3	Latent View Analytics Limited [@]	6,000.00	197.00	November 23, 2021	512.20	-	-	-
4	One 97 Communications Limited	183,000.00	2,150.00	November 18, 2021	1,950.00	-	-	-
5	S.J.S. Enterprises Limited	8,000.00	542.00	November 15, 2021	542.00	-24.99%, [-4.33%]	-	-
6	Fino Payments Bank Limited	12,002.93	577.00	November 12, 2021	544.35	-30.56%, [-3.27%]	-	-
7	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.36%, [+0.55%]	-	-
8	Ami Organics Limited	5,696.36	610.00	September 14, 2021	910.00	+117.07%, [+4.50%]	+63.34%, [+0.76%]	-
9	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	+12.68%, [+6.86%]	-
10	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91%, [+6.46%]	-9.75%, [+7.69%]	-

Source: www.nseindia.com

[^]Offer Price was ` 820.00 per equity share to Eligible Employees

[@]Offer Price was ` 178.00 per equity share to Eligible Employees

Notes:

- Issue Size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	18	5,15,965.76	-	1	4	2	4	3	-	-	-	2	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

B. Ambit Private Limited

1. Price information of past issues handled by Ambit Private Limited:

S. No.	Issue name	Issue size in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Star Health and Allied Insurance Company Limited	60,186.84	900.00	December 10, 2021	845.00	NA	NA	NA
2.	Ami Organics Limited	5,696.36	610.00	September 14, 2021	910.00	+117.07%, [+4.50%]	+63.34%, [+0.76%]	NA
3.	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	+12.68%, [+6.86%]	NA
4.	Anupam Rasayan India Limited	7,600.00	555.00	March 24, 2021	520.00	-0.11%, [-0.98%]	+30.49%, [+8.23%]	+37.12%, [+20.87%]

Source: www.nseindia.com

Notes:

- Issue Size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.
- Since 30/90/180 calendar days from listing date has not elapsed for the above issue, data for same is not available.

2. Summary statement of price information of past issues handled by Ambit Private Limited:

Financial Year	Total no. of issues	Total amount of funds raised (INR Mn)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%	Over 50%	Between 25 - 50%	Less than 25%
2021-22*	3	104,383.20	-	-	-	1	-	1	NA			NA		
2020-21	1	7,600.00	-	-	1	-	-	-	-	-	1	7,600.00	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* The information is as on the date of the document

Notes: Since 180 calendar days from listing date has not elapsed for the above issue, data for same is not available

C. DAM Capital Advisors Limited (Formerly IDFC Securities Limited)

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly IDFC Securities Limited)

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	+45.79%, [+24.34%]

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
2	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15%, [+15.49%]
3.	Laxmi Organic Industries Limited	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	+294.50%, [+21.45%]
4.	Glenmark Life Sciences Limited	15,136.00	720.00	August 6, 2021	750.00	-6.40%, [+6.68%]	-12.85%, [+9.80%]	Not applicable
5.	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04%, [+4.93%]	-34.46% [+9.30%]	Not applicable
6.	Krsnaa Diagnostics Limited	12,133.35	954.00*	August 16, 2021	1,005.55	-9.42%, [+4.93%]	-27.73% [+9.30%]	Not applicable
7.	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	Not applicable	Not applicable	Not applicable
8.	Star Health and Allied Insurance Company Limited	60,186.84	900.00@	December 10, 2021	845.00	Not applicable	Not applicable	Not applicable

Source: www.nseindia.com

*A discount of INR 93 per equity share to eligible employees bidding in the employee reservation portion.

@ A discount of INR 80 per equity share to eligible employees bidding in the employee reservation portion.

Notes:

- Issue size derived from prospectus / basis of allotment advertisement, as applicable
- Price on NSE is considered for all of the above calculations
- % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
- Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- The Nifty 50 index is considered as the benchmark index
- Not applicable – Period not completed

- Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly IDFC Securities Limited):

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	5	101,607.63	-	-	3	-	-	-	-	-	-	-	-	-
2020-21	3	56,770.65	-	-	1	-	1	1	-	-	1	1	1	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

Notes:

- The information is as on the date of this offer document
- The information for each of the financial years is based on issues listed during such financial year.
- Since 30/ 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available

D. Equirus Capital Private Limited

1. Price information of past issues handled by Equirus Capital Private Limited:

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Antony Waste Handling Cell Limited	2,999.85	315.00	January 01, 2021	436.10	-10.27% [-2.74%]	-23.21% [+4.80%]	2.14% [12.34%]
2.	G R Infraprojects Limited	9,623.34	837.00 ¹	July 19, 2021	1,715.85	90.82% [5.47%]	138.85% [16.42%]	N.A.
3.	Rolax Rings Limited	7,310.00	900.00	August 9, 2021	1,250.00	22.28% [6.79%]	31.50% [10.20%]	N.A.
4.	Krsnaa Diagnostics Limited	12,133.35	954.00 ²	August 16, 2021	1,005.55	-9.42% [4.93%]	-27.73% [9.30%]	N.A.
5.	Anand Rathi Wealth Limited	6,593.75	550.00 ³	December 14, 2021	600.00	N.A.	N.A.	N.A.

Source: www.nseindia.com for price information and prospectus for issue details

Notes:

1. A discount of ₹ 42 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of G R Infraprojects Limited IPO
2. A discount of ₹ 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Krsnaa Diagnostics Limited IPO
3. A discount of ₹ 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Anand Rathi Wealth Limited IPO
4. The S&P CNX NIFTY is considered as the Benchmark Index.
5. Price on NSE is considered for all of the above calculations.
6. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
7. N.A. (Not Applicable) – Period not completed.

2. Summary statement of price information of past issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 th calendar day from listing date			No. of IPOs trading at premium as on 30 th calendar day from listing date			No. of IPOs trading at discount as on 180 th calendar day from listing date			No. of IPOs trading at premium as on 180 th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	4	35,660.44	-	-	1	1	-	1	-	-	-	-	-	-
2020 -2021	1	2,999.85	-	-	1	-	-	-	-	-	-	-	-	1
2019 -2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* The information is as on the date of this Prospectus.

The information for each of the financial years is based on issues listed during such financial year.

E. ICICI Securities Limited

1. Price information of past issues handled by ICICI Securities Limited:

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.36%, [+0.55%]	NA*	NA*

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
2	FSN E-Commerce Ventures Limited	53,497.24	1,125.00 ⁽¹⁾	November 10, 2021	2,018.00	+92.31%,-2.78%]	NA*	NA*
3	Fino Payments Bank Limited	12,002.93	577.00	November 12, 2021	544.35	-30.56%,-3.27%]	NA*	NA*
4	PB Fintech Limited	57,097.15	980.00	November 15, 2021	1150.00	+14.86%,-4.33%]	NA*	NA*
5	One 97 Communications Limited	1,83,000.00	2,150.00	November 18, 2021	1,950.00	NA*	NA*	NA*
6	Sapphire Foods India Limited	20,732.53	1,180.00	November 18, 2021	1,350.00	NA*	NA*	NA*
7	Latent View Analytics Limited	6,000.00	197.00 ⁽²⁾	November 23, 2021	512.20	NA*	NA*	NA*
8	Tarsons Products Limited	10,234.74	662.00 ⁽³⁾	November 26, 2021	682.00	NA*	NA*	NA*
9	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	NA*	NA*	NA*
10	Star Health and Allied Insurance Company Limited	60,186.84	900.00 ⁽⁴⁾	December 10, 2021	845.00	NA*	NA*	NA*

*Data not available

- (1) Discount of Rs. 100 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 1,125.00 per equity share.
- (2) Discount of Rs. 19 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 197.00 per equity share.
- (3) Discount of Rs. 61 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 662.00 per equity share.
- (4) Discount of Rs. 80 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 900.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	20	6,42,533.19	-	1	3	3	3	4	-	-	-	1	-	-
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

*This data covers issues up to YTD

Notes:

1. All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com
2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

F. Motilal Oswal Investment Advisors Limited

1. Price information of past issues handled by Motilal Oswal Investment Advisors Limited:

S. No.	Issue name	Issue size (in ₹ million)	Offer Price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	GR Infraprojects Limited ⁴	9,623.34	837	July 19, 2021	1,715.85	+90.82%, [+5.47%]	+138.85%, [+16.42%]	Not applicable ⁵
2.	Devyani International Limited	18,380.00	90	August 16, 2021	140.90	+32.83%, [+4.93%]	+78.39% [+9.30%]	Not applicable ⁵
3.	Aditya Birla Sun Life AMC Limited	27,682.56	712	October 11, 2021	715.00	-11.36%, [+0.55%]	Not applicable ⁵	Not applicable ⁵

Source: nseindia.com

Notes:

- The S&P CNX NIFTY is considered as the Benchmark Index
- Price on NSE is considered for all of the above calculations.
- The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.
- Discount of ₹42.00 per Equity Share was offered to eligible employees bidding in the Employee Reservation Portion
- Not applicable – Period not completed

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30 th calendar day from listing date			No. of IPOs trading at premium as on 30 th calendar day from listing date			No. of IPOs trading at discount as on 180 th calendar day from listing date			No. of IPOs trading at premium as on 180 th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	3	55,685.90	-	-	1	1	1	-	-	-	-	-	-	-
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

* The information is as on the date of the Offer document.

The information for each of the financial years is based on issues listed during such financial year.

Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLMs, as set forth in the table below:

Sr. No.	Name of BRLMs	Website
1.	Axis Capital Limited	www.axiscapital.co.in
2.	Ambit Private Limited	www.ambit.co
3.	DAM Capital Advisors Limited (Formerly IDFC Securities Limited)	www.damcapital.in
4.	Equirus Capital Private Limited	www.equirus.com
5.	ICICI Securities Limited	www.icicisecurities.com
6.	Motilal Oswal Investment Advisors Limited	www.motilaloswal.com

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

SEBI, by way of its circular dated March 2021 Circular, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Subsequently, SEBI vide its circular dated June 2021 Circular, modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular.

Per the March 2021 Circular read with the June 2021 Circular, for initial public offerings opening for subscription on or after May 1, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

Separately, pursuant to the March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES and is in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three years prior to the filing of this Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Tarannum Yasinhusain Bhanpurwala, as the Company Secretary and Compliance Officer for the Offer and she may be contacted in case of any pre-Offer or post-Offer related problems. For further details, see “*General Information*” on page 66.

Our Company has also constituted a Stakeholders’ Relationship Committee, to review and redress shareholder and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, see “*Our Management*” on page 188. The Selling Shareholders have authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Other confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, Listing Regulations, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, Offer for Sale and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authority while granting its approval for the Offer.

The Offer

The Offer comprised a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Other than the listing fees for the Offer, which will be borne by our Company, and the fees and expenses of the legal counsel and the chartered accountants to the Selling Shareholders, which will be borne by the Selling Shareholders, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, upon successful completion of the Offer.

Ranking of the Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares Allotted in the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and shall rank pari passu with the existing Equity Shares in all respects including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Description of Equity Shares and Terms of Articles of Association*” on page 389.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders as per the provisions of the Companies Act, our MoA, AoA, the Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (pursuant to the Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 210 and 389, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹5 and the Floor Price is ₹ 485 per Equity Share and the Cap Price is ₹ 500 per Equity Share. The Anchor Investor Offer Price is ₹ 500 per Equity Share.

The Price Band and the minimum Bid Lot size were decided by our Company, and the Promoter Selling Shareholders in consultation with the BRLMs, and were advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of an English national daily newspaper, Financial Express, all editions of a Hindi national daily newspaper, Jansatta and Mumbai editions of a Marathi daily newspaper, Navshakti (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located) each with wide circulation and were made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price was determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations, our AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 389.

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and Registrar to the Company:

- Tripartite agreement dated May 30, 2007 amongst our Company, NSDL and Registrar to the Company.
- Tripartite agreement dated June 5, 2007 amongst our Company, CDSL and Registrar to the Company.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 30 Equity Shares. For the method of basis of allotment, see "*Offer Procedure*" on page 369.

Joint Holders

Subject to the provisions of our AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Bid/Offer Programme*" on page 362.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the

nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form which is available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIBs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Bid/ Offer Programme

BID/ OFFER OPENED ON	Friday, December 10, 2021 ⁽¹⁾
BID/ OFFER CLOSED ON	Tuesday, December 14, 2021 ⁽²⁾

- (1) *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations i.e. Thursday, December 9, 2021.*
- (2) *Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, considered closing the Bid/ Offer Period for QIBs one day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	Tuesday, December 14, 2021
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Friday, December 17, 2021
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Monday, December 20, 2021

Event	Indicative Date
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, December 21, 2021
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, December 22, 2021

**In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The above timetable is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

While the Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date, or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST)
Bid/ Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time was granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer had to submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's would unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members were preferably allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in the Red Herring Prospectus and this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded were not considered for allocation under this Offer. Bids and any revision to the Bids, were accepted only during Working Days, during the Bid/ Offer Period. Bids were accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

The requirement of minimum subscription was not applicable to the Offer for Sale in accordance with the SEBI ICDR Regulations. In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, the Selling Shareholders, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received. In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, the Selling Shareholders, to the extent applicable, and our Company shall pay interest prescribed under the applicable law.

Further, the Selling Shareholders and our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders, and subscription money will be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholders and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

Restrictions, if any, on Transfer and Transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 75 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For further details, see "*Description of Equity Shares and terms of Articles of Association*" on page 389.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

Initial public offering of 27,350,100* Equity Shares of face value of ₹ 5 each for cash at a price of ₹ 500 per Equity Share (including share premium of ₹ 495 per Equity Share) aggregating to ₹ 13,675.05 million comprising a Fresh Issue of 5,900,000* Equity Shares aggregating to ₹ 2,950 million by our Company and an Offer for Sale of 21,450,100* Equity Shares aggregating to ₹ 10,725.05 million by the Selling Shareholders, comprising an offer for sale of 13,015,000 Equity Shares aggregating to ₹ 6,507.50 million by the Promoter Selling Shareholders, 8,427,000 Equity Shares aggregating to ₹ 4,213.50 million by the Promoter Group Selling Shareholders and 8,100 Equity Shares aggregating to ₹ 4.05 million by the Other Selling Shareholder. The Offer shall constitute 10.07% of the post-Offer paid-up equity share capital of our Company, respectively.

**Subject to the finalisation of the Basis of Allotment.*

The Offer was made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Bidders Individual
Number of Equity Shares available for Allotment/ allocation ⁽²⁾	Not more than 13,675,050* Equity Shares	Not less than 4,102,515* Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than 9,572,535* Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer was available for allocation to QIBs. However, up to 5% of the Net QIB Portion (i.e. excluding the Anchor Investor Portion) was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the Net QIB Portion (i.e. excluding the Anchor Investor Portion).	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) 273,501* Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 5,196,519* Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of 8,205,030* Equity Shares) allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Proportionate	Proportionate, subject to the minimum Bid Lot Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on a proportionate basis. For further details see, "Offer Procedure" on page 369.
Minimum Bid	Such number of Equity Shares and in multiples of 30 Equity Shares so that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of 30 Equity Shares thereafter	30 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 30 Equity Shares so	Such number of Equity Shares in multiples of 30 Equity Shares so	Such number of Equity Shares in multiples of 30

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
	that the Bid does not exceed the Offer, subject to applicable limits	that the Bid does not exceed the Offer (excluding the QIB Portion), subject to applicable limits	Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	30 Equity Shares and in multiples of 30 Equity Shares thereafter		
Allotment Lot	A minimum of 30 Equity Shares and thereafter in multiples of one Equity Share		
Trading Lot	One Equity Share		
Who can apply ⁽³⁾⁽⁴⁾	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250 million, pension fund with minimum corpus of ₹250 million National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and any individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	<p>In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for RIBs using the UPI Mechanism) that is specified in the ASBA Form at the time of submission of the ASBA Form</p> <p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾</p>		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).		

*Subject to the finalisation of Basis of Allotment

- (1) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor made a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds.
- (2) This was an Offer in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. This Offer was made in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion were available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion was available for allocation on a proportionate basis to QIBs, including Mutual Funds. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations.
- (3) In the event that a Bid was submitted in joint names, the relevant Bidders were to ensure that the depository account was also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. In case of joint Bids, the Bid cum Application Form contained only the name of the first Bidder whose name appeared as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder was required in the Bid cum Application Form and such first Bidder deemed to have signed on behalf of the joint holders.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.

- (4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price were payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 373 and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) were proportionately distributed.

Note: Bidders were required to confirm and deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they were eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. For further details, see “*Terms of the Offer*” on page 360.

OFFER PROCEDURE

All Bidders were required to read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges, the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders were required to refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form,) (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) interest in case of delay in Allotment or refund; and (xiv) disposal of application.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“**UPI Phase III**”), as may be prescribed by SEBI. The Offer was undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended by circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Prospectus.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in

unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Book Building Procedure

The Offer was made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was allocated on a proportionate basis to QIBs. Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which did not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, were treated as incomplete and rejected. Bidders did not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO.

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. Under this phase, submission of the ASBA Form without UPI by RIBs to Designated Intermediaries (other than SCSBs) for blocking of funds will be discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer was made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the ASBA Form was also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form were available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) mandatorily participated in the Offer only through the ASBA process. RIBs were mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

RIBs bidding using the UPI Mechanism had to provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that did not contain the UPI ID was liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) were to provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details were liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID were liable for rejection.

ASBA Bidders had to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp were liable to be rejected. RIBs using UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs. ASBA Bidders had to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs were required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Form for the various categories was as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible FPIs	Blue
Anchor Investors	White

**Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus were also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors were available at the offices of the BRLMs.

Investors had to ensure that their PAN is linked with Aadhar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

In case of ASBA Forms, the relevant Designated Intermediaries uploaded the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For RIBs using UPI Mechanism, the Stock Exchanges would share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs) Designated Intermediaries (other than SCSBs) would submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and would not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

Participation by Promoters and Promoter Group of the Company, the BRLMs and the Syndicate Members and persons related to Promoters/Promoter Group/ the BRLMs

The BRLMs and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation would be on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including the respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs) nor; (ii) any “person related to the Promoters / Promoter Group” could apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights would be deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor would be deemed to be an associate of the BRLMs, if: (a) either of them controlled, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other;

or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises controlled over the other; or (c) there was a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Promoters and the members of the Promoter Group did not participate in the Offer, except to the extent of the Offer for Sale.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate had to be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders, in consultation with the BRLMs, reserved the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds had to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid had been made.

No Mutual Fund scheme could invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% would not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes could own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange would be considered for Allotment. Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary (“**NRO**”) accounts or confirm or accept the UPI mandate request (in case of RIBs using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer would be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism were advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour).

Participation by Eligible NRIs in the Offer were subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange were considered for Allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, was not considered for calculation of indirect foreign investment.

For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 387.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, were required to be made in the individual name of the *karta*. The Bidder/Applicant had to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*”. Bids/Applications by HUFs were considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share

capital (on a fully diluted basis). Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to 24%. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only if it complies with the following conditions: (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (i) to (iv)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;

- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except as stated above. For further details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 387.

Bids by SEBI registered VCFs, AIFs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Accordingly, the holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, VCFs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders, or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee is required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”) and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank’s own paid-up share capital and reserves as per the last audited balance sheet or a subsequent balance sheet, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company’s paid up share capital

and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, NBFC-SI, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and the Promoter Selling Shareholders in consultation with the BRLMs may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

- 1) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.
- 2) The Bid had to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹100 million.
- 3) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors was opened one Working Day before the Bid/ Offer Opening Date.
- 5) Our Company and the Promoter Selling Shareholders, in consultation with the BRLMs finalized allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum allotment of ₹50 million per Anchor Investor.
- 6) Allocation to Anchor Investors was to be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
- 7) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

- 8) If the Offer Price was greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price would be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price was lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors would be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) the BRLMs (s) or any associate of the BRLMs (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLMs or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLMs) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion were not considered multiple Bids.

For more information, please read the General Information Document and “*Restrictions on Foreign Ownership of Indian Securities*” on page 387.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and this Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders, and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other

requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
11. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
14. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the “list of mobile applications for using UPI in public issues” displayed on the SEBI website and is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;

24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected; and
28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

The Bid cum Application Form was liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which were not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 was liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
4. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
7. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
8. Do not submit the Bid for an amount more than funds available in your ASBA account.
9. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
10. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
11. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
12. Anchor Investors should not Bid through the ASBA process;

13. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
14. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
15. Do not submit the General Index Register (GIR) number instead of the PAN;
16. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
19. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
20. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
21. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Offer Closing Date;
22. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
23. Do not Bid for Equity Shares in excess of what is specified for each category;
24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
27. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
28. Do not Bid if you are an OCB;
29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism;
30. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism;
31. Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism); and
32. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website was liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, see “*General Information*” on page 66.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document. Further, Bid cum Application Forms are liable to be rejected if they do not comply with the criteria set out under “*Restrictions on Foreign Ownership of Indian Securities*” on page 387.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the March 2021 Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. Further, helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 see, “*General Information – Details of the Book Running Lead Managers*” on page 67.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar to the Offer, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Promoter Selling Shareholders in consultation with the BRLMs, in their absolute discretion, have decided the list of Anchor Investors to whom the CAN has been sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors transferred the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “**METRO BRANDS LTD-IPO ANCHOR INVESTOR – R ACCOUNT**”
- (b) In case of Non-Resident Anchor Investors: “**METRO BRANDS LTD-IPO ANCHOR INVESTOR – NR ACCOUNT**”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of Financial Express, a widely circulated English national daily newspaper; (ii) all editions of Jansatta, a Hindi national daily newspaper; and (iii) Mumbai edition of Navshakti, a widely circulated Marathi daily newspaper, Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located).

In the pre-Offer advertisement, we stated the Bid/ Offer Opening Date, the Bid/ Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of Financial Express, a widely circulated English national daily newspaper; (ii) all editions of Jansatta, a Hindi national daily newspaper; and (iii) Mumbai edition of Navshakti, a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. This Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- that if our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or any of the Selling Shareholders subsequently decides to proceed with the Offer thereafter;
- except for any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Scheme, no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

Undertakings by the Selling Shareholders

The Selling Shareholders undertake that:

- the Equity Shares offered for sale by the Selling Shareholders are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations, are fully paid-up and are in dematerialised form;
- shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- are the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale;
- shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received;
- shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of its Offered Equity Shares offered by it pursuant to the Offer; and

- shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer.

Utilisation of Gross Proceeds

Our Board certifies that:

All monies received out of the Fresh Issue component of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all utilised monies out of the Fresh Issue shall be disclosed, and continued to be disclosed till any part of the proceeds of the Fresh Issue remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

Under the current FDI Policy and the FEMA Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory based model of e-commerce.

In accordance with the FEMA Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Rules, subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 24%; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Rules. Further, other non-residents such as, Eligible NRIs applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Offer.

As per the existing policy of the Government of India, OCBs could not participate in this Offer. For further details, see “*Offer Procedure*” on page 369.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise two parts, Part A and Part B. Till the time of listing and trading of the Equity Shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, Part A and Part B shall, unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Parts B of these Articles shall prevail. Upon the commencement of listing and trading of the Equity Shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company, directors, or its shareholders.

PART A

Applicability of Table F

Article I provides that the regulations contained in Table ‘F’ of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

Interpretation clause.

1. In the interpretation of these Articles, unless repugnant to the subject or context:
 - a) “The Company” or “this Company”
“The Company” or “this Company” means **“Metro Brands Limited”**.
 - b) “The Act” or the “Companies Act”
“The Act” or the “Companies Act” means the Companies Act 2013, as amended
 - c) “Articles”
“Articles” means these Articles of Association of the Company, as originally framed and as amended from time to time and which is in force for the time being;
 - d) “Agreement”
“Agreement” means the Subscription and Shareholders Agreement between the Rafique A. Malik, Aziza R. Malik, Rakesh Jhunjhunwala and the Company dated January 18, 2007, as amended from time to time.
 - e) “Auditors”
“Auditors” means and includes those persons appointed as such for the time being by the Company.
 - f) “Beneficial owner”
“Beneficial owner” shall mean beneficial owner as defined in clause (a) of subsection (1) of Section 2 of the Depositories Act, 1996.
 - g) “Board” or “Board of Directors”
“Board” or “Board of Directors” means the requisite number of Directors of the Company collectively assembled at a duly called valid meeting of the Directors.

- h) “Board Meeting”
“Board Meeting” means a meeting of the Board of Directors convened and held in accordance with these presents and the applicable provisions of the Act.
- i) “Capital”
“Capital” means the share capital for the time-being raised or authorised to be raised for the purposes of the Company.
- j) “Chairman” shall mean the chairman of the Board of Directors
- k) “Debenture”
“Debenture” includes debenture-stock.
- l) “Depositories Act, 1996”
“Depositories Act, 1996” shall include any statutory modification or re-enactment thereof.
- m) “Depository”
“Depository” shall mean a Depository as defined under clause (e) of subsection (1) of section 2 of the Depositories Act, 1996.
- n) “Directors”
“Directors” means any director of the Company, including alternate directors, independent directors and nominee directors appointed to the Board of a Company in accordance with law and the provisions of these Articles.
- o) “Dividend”
“Dividend” includes any interim dividend.
- p) “Gender”
Words importing the masculine gender also include the feminine gender.
- q) “In writing” or “Written”
“In Writing” or “Written” include printing, lithography and other modes of representing or reproducing words in a visible form.
- r) “Investor(s)” mean Rakesh Jhunjunwala, Rekha Rakesh Jhunjunwala, Aryavir Jhunjunwala, Discretionary Trust, Aryaman Jhunjunwala Discretionary Trust and Nishtha Jhunjunwala Discretionary Trust.
- s) “Independent Director” shall mean the independent director as defined in the Act;
- t) “Member”
“Member” means the duly registered holder from time to time of Shares of the Company and includes the subscribers to the Memorandum of Association of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.”
- u) “Meeting” or “General Meeting”
“Meeting” or “General Meeting” means a meeting of members.
- v) “Annual General Meeting”
“Annual General Meeting” means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.

- w) “Extraordinary General Meeting”
“Extraordinary General Meeting” means an extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
- x) “Month”
“Month” means a calendar month.
- y) “Office”
“Office” means the registered office for the time-being of the Company.
- z) “Paid-up”
“Paid-up” includes credited as paid-up.
- aa) “Promoter(s)”
“Promoter(s)” shall mean shall mean, collectively, Rafique A. Malik, Alisha Rafique Malik, Farah Malik Bhanji, Rafique Malik Family Trust and Aziza Malik Family Trust.
- bb) “Promoter and Promoter Group Shareholders” shall mean, collectively, the persons as named under Schedule 1 of these Articles
- cc) "Register of Members"
Register of Members means the Register of Members to be kept pursuant to the Act and includes index of beneficial owners maintained by the Depository.
- dd) “Rupee” means the lawful currency of India.
- ee) “The Registrar”
“Registrar” means the Registrar of Companies of the State in which the registered office of the Company is for the time-being situated.
- ff) “Secretary”
“Secretary” means a Company Secretary, within the meaning of clause (c) of sub-section (1) of section (2) of the Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under the Act.
- gg) “Seal”
“Seal” means the Common Seal for the time-being of Company.
- hh) “SEBI”
“SEBI” shall mean the “Securities Exchange Board of India” constituted under the Securities Exchange Board of India Act, 1992
- ii) “Securities”
“Securities” means the Securities as defined in Clause (h) of section 2 of Securities Contracts (Regulation) Act, 1956.
- jj) “Singular number”
Words importing the singular number include, where the context admits or requires, the plural number and vice-versa.

kk) “Ordinary Resolution” and “Special Resolution”

“Ordinary Resolution” and “Special Resolution” shall have meanings assigned thereto by Section 114 of the Act.

ll) “Year” and “Financial Year”

“Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

The title or marginal notes used in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context bears the same meaning in these Articles.

Table F to apply to the Company in the absence of express provisions in the Articles hereinafter.

2. The regulations contained in Table F, in the First Schedule to the Companies Act, 2013, shall apply to this Company with respect to all matters for which there is no express provision in these presents, as may be amended from time to time in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

“CAPITAL AND INCREASE AND REDUCTION OF CAPITAL”.

Authorised Share Capital

3. a) The Authorised Share capital of the Company shall be as stated in Clause (V) of the Memorandum of Association of the Company.
- b) The members by special resolution have the power to increase, modify the said capital and to divide the shares for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided for by the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force. The Company shall be entitled to dematerialise its existing shares, reconvert its shares held by the depositories electronically to physical form and/or to offer its fresh shares in electronic form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

Increase of Capital by the Company and how carried into effect.

4. The Company at the General Meeting may, from time to time, increase the capital by creation of new shares; such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with, and if the act allows without, a right of voting at general meeting of the Company in conformity with Section 47 and 48 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

New Capital same as existing capital.

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Buy back of shares:

6. Notwithstanding anything contained in these Articles, in accordance with the provisions of Sections 67 to 70 of the Act or any statutory modification thereto and such other regulations and guidelines as may be issued in this regard by the relevant authorities, the Board of Directors may, if and when deem fit, buy back such of the Company's own shares, stocks or securities, whether or not they are redeemable, as it may decide, subject to such limits, upon such terms and conditions, and subject to such approval, as are specified in this regard.

The Article shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by Article 39.

Further issue of Capital.

7. (a) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who as on the date specified under the applicable law, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of offer within which the offer, if not accepted, will be deemed to have been declined. The aforesaid offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person and notice referred to above shall contain a statement of this right. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
- (b) Notwithstanding anything contained in preceding sub-clause, the Company may —
- (i) by a special resolution in a general meeting; or
- (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the motion moved in the general meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer the equity shares of the Company to such other persons other than the existing Members of the Company such as Business Associates, Independent Professionals, Consultants, Agents, Service Providers, Financial Investors etc. on such terms and conditions including variable pricing within each of the foregoing categories as may be stipulated in the resolution approved by the Members and in accordance with the provisions of the Act and the Rules and other applicable law.
- (c) Nothing in sub clause (a) of this Article shall be deemed to extend the time within which the offer shall be accepted or to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing contained in sub-clauses (a) & (b) above, of this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and

- (b) In the case of debentures or loans or other than debentures Issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company In General Meeting before the Issue of the loans.

Redeemable Preference shares.

- 8. Subject to the provisions of Section 55 and other applicable provisions of the Act, the Company shall have power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption thereof.

Provisions to apply on issue of Redeemable Preference Shares.

- 9. On the issue of Redeemable Preference Shares under the provisions of Article 8 hereof, the following provisions shall take effect:
 - (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
 - (b) no such shares shall be redeemed unless they are fully paid;
 - (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
 - (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to reduction of the share capital of the company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Reduction of Capital.

- 10. The Company may (subject to Section 66 of the Act, as and when notified) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law by following the procedure prescribed by the Act.

Sub-division consolidation and cancellation of shares.

- 11. Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is subdivided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of rights.

- 12. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of Sections 47 and 48 of the Act be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class.
- 13. (a) Subject to the provisions of sub-section 6 of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, or

procuring, or agreeing to procure, subscriptions (whether absolute or conditional) for any shares in or debentures of the Company, but so that the commission shall not exceed, in the case of shares five per cent of the price at which the shares are issued, and in the case of debentures two and half per cent of the price at which the debentures are issued.

- (b) The Company may pay such sum for brokerage as may be lawful and reasonable.

Issue of Sweat Equity Shares:

14. Company shall subject to and in accordance with the provisions of section 54 of the Act, notwithstanding the prohibition contained in Section 53 of the Act for issue of shares at discount have the power, by a Special Resolution passed at a General Meeting to issue Sweat Equity Shares to the Directors, Employees of either of the Company or of any of its subsidiary or holding Company.

SHARES AND SHARE CERTIFICATE

15. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

Shares to be numbered progressively and no share to be subdivided.

16. The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

Shares under control of Directors.

17. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) in the capital shall be under the control of the Board of Directors, who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportion on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of the Act) at a discount and at such times as the Board of Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person or persons the option or right to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 of the Act) at a premium or at par and such option being exercisable for such time and for such consideration as the Board of Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. The Board shall cause to be filed the returns as to allotment provided for in Sections 39 and 42 of the Act. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Powers of Company to issue shares in General Meeting.

18. In addition to and without derogating from the powers for that purpose conferred on the Board by these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 52 of the Act) at a premium or at par, as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 52 of the Act) at a premium or at par such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Acceptance of shares.

19. Any application signed by or on behalf of an applicant for share in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who pays or otherwise accepts any shares and whose name is entered in the Register of Members shall for the purpose of these Articles, be a Member.

Deposit and call etc. to be a debt payable immediately.

20. The money, if any, which the Board shall, on the allotment of any shares being made by it, require or direct to be paid by way of deposit call or otherwise in respect of any shares so allotted, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members.

21. Every member, or his heirs, executors or administrators, shall pay to the Company the portion of capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

Share Certificates

22. (a) Every member or allottee of shares shall be entitled without payment to receive one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be, specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid thereon, provided, however, no share certificate(s) shall be issued for shares held in a Depository. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issue against letters of advice or acceptance or of renunciation or in case of issue of bonus shares. Every certificate shall specify the distinctive number of shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed company secretary: Provided that in case the company has a common seal it shall be affixed in the presence of persons required to sign the certificate. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of the issue and the amount paid thereon.
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees One Hundred. The Company shall comply with the provisions of Section 46 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography; but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Renewal of Shares Certificate.

23. (a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn, old, decrepit, worn out, or where there be no further space on the back thereof for endorsement of transfer, unless the certificate in lieu of which it is issued is surrendered to the Company.

- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is “issued in lieu of share certificate No.... sub-divided/replaced/ or consolidation of shares.”
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity and on payment of out-of-pocket expenses incurred by the Company in investigating the evidence and such fees, as the Board thinks fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counter foil to the effect that it is “duplicate issued in lieu of share certificate No...”. The word “Duplicate” shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in “Remarks” column.
- (f) All blank forms to be issued for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other persons as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director of the Company for the time being or if the Company has no Managing Director, every director of the Company shall be responsible for the maintenance, preservation and safe custody of all books, and documents relating to the issue of share certificate except the blank forms of share certificates referred to in sub-Article (f).
- (h) All books referred to in sub-Article (g) shall be preserved in good order permanently.
- (i) Every certificate under this article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding the amount payable under applicable law for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
- (j) Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.
- (k) Subject to the provisions of the Act, the provisions of this article relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures of the Company.

Power of Board of Directors to regulate sub-division or consolidation.

- 24. Notwithstanding anything contained in Article 23, the Board of Directors or any committee thereof shall be entitled to refuse any application for sub-division or consolidation of shares into denominations of less than ten except when such sub-division or consolidation is required to be made to comply with a statutory order or an order or a decree of a competent court of law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to necessary verification by the Company.

The first named of joint-holders deemed sole holder.

25. If any share stands in the names of two or more persons, the person first named in the Register of Members shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the other joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of share and for all incidents thereof according to the Company's regulations.

Company not bound to recognise any interest in share other than that of registered holder.

26. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust, equity, equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

Provision for Employees' Stock Option

27. (a) Subject to the provisions of section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and subject to the Articles of Association, the Board may, from time to time, create, offer and issue to or for the benefit of the Company's employees including the Executive Chairman, Vice-Chairman, the Managing Directors and the Whole time Directors such number of equity shares of the Company, in one or more tranches on such terms as may be determined by the Board prior to the issue and offer, in consultation with the authorities concerned and in accordance with such guidelines or other provisions of law as may be prevalent at that time but ranking pari passu with the existing equity shares of the Company.
- (b) The issue price of such shares shall be determined by the Board in accordance with the laws prevalent at the time of the issue.
- (c) In the alternative to equity shares, mentioned hereinabove, the Board may also issue bonds, equity warrants or other securities as may be permitted in law, from time to time. All such issues as above are to be made in pursuance of Employees' Stock Option (ESOP) scheme to be drawn up and approved by the Board.

CALLS

Directors may make calls.

28. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment by a resolution passed at a meeting of the Board in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Notice of calls.

29. Fourteen days' notice in writing of any call be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

Calls to date from resolution.

30. A call shall be deemed to have been made at the time when the resolution authorising such call is passed at a meeting of the Board.

Call may be revoked or postponed

31. A call may be revoked or postponed at the discretion of the Board.

Joint-holders, jointly and severally liable to pay calls

32. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Power of Board to extend time for payment of calls.

33. The Board may, from time to time at its discretion, extend the time fixed for the payment of any calls under Article 28.

Calls to carry interest.

34. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to time of actual payment at such rate as shall, from time to time, be fixed by the Board not exceeding 10 per cent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest or interest calculated at a lower rate from any such member.

Sums deemed to be calls.

35. Any sum, which by the terms of issue of a share becomes payable on allotment or on any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Proof on trial of suit for money due on shares.

36. On the trial of or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any moneys claimed to be due to the Company in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that meeting at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture.

37. Neither receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of calls may carry interest.

38. (a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the members paying the sum in advance and the Board agree upon. The Board may at any time agree to repay any amounts so advanced or may at any time repay the same upon giving to the member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No member paying any such sum in advance shall be entitled to voting right in respect of the moneys so paid by him until the same would but for such payment become presently payable.

- (c) Subject to the provisions of the Act, the provisions of this article relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures of the Company.

LIEN

Company to have lien on shares.

39. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) / debentures registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures, and no equitable interest in any shares shall be created except upon the footing and upon the conditions that this Article shall have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Such lien on partly-paid shares shall be restricted to moneys called or payable at a fixed time in respect of such shares Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

As to enforcing lien by sale.

40. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they shall think fit and for this purpose may cause to be issued duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment fulfilment, or discharge of such debts, liabilities or engagement for fourteen days after such notice.

Application of proceeds of sale.

41. The net proceeds of any such sale be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

If money payable on share not paid notice to be given to members.

42. If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued by the Company by reason of such non-payment.

Form of notice.

43. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding 10 per cent per annum as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment before the time and at the place appointed the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

In default of payment, shares to be forfeited.

44. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture, provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

Notice of forfeiture to a member.

45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be property of the Company and may be sold, etc.

46. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Member still liable to pay money owing at the time of forfeiture and interest.

47. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding ten percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

Effect of forfeiture.

48. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture.

49. A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Validity of sale under Articles 40 and 46.

50. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sales shall be in damages only and against the Company exclusively.

Cancellation of share certificates in respect of forfeited shares.

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate of shares originally issued in respect of the relative share shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Power to annul forfeiture

52. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

TRANSFER AND TRANSMISSION OF SHARES

Transfer or transmission of shares

53. In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

Register of Transfer

54. The Company shall keep a 'Register of Transfer' and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.

Form of transfer.

55. The Company shall use a common form of transfer.

Transfer form to be completed to and presented to the Company.

56. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act shall be duly complied with in respect of all transfer of shares and registration thereof. The instrument of transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered instrument of transfer shall remain in custody of the Company until destroyed by order of the Board. The transferor of shares shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a certificate or certificates the shares must have been delivered to the Company.

Restrictions on Rights to Transfer of Shares

57. The shares in the company shall be freely transferable but subject to the following restrictions:-

Subject to the provisions of the Act, these Articles and other applicable provisions of the applicable law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Dematerialisation of Securities

58. Company to recognise interest in dematerialised securities under Depositories Act.
- (i) The Company may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.
 - (ii) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, dematerialise its securities held In the Depository and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.

- (iii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificate or to hold the security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee and the Beneficial Owner of the security.
- (iv) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.
- (v) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (vi) Same as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as Beneficial Owner in the records of the Depository shall be deemed to be the member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits subject to all the liabilities in respect of his securities which are held by a Depository.
- (viii) Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the register of members as holders of any share or where the name appears as Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles, otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- (ix) Every Depository shall furnish to the Company about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- (x) Upon receipt of certificate of securities of surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
- (xi) If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
- (xii) Notwithstanding anything in the Act or these Articles to the contrary, these securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (xiii) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act.
- (xiv) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

- (xv) The shares in the capital be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- (xvi) The Company shall cause to be kept a Register and index of Members and a Register and index of Debenture holders in accordance with Section 88 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronics media. The Register and index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to the Register and index of Members and Register and index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
- (xvii) The Company shall keep a Register of Transfer and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

Nomination of Securities

59. (a) In accordance with and subject to the provisions of Section 72 of the Act, every holder of shares in or holder of debentures of, a company may, at any time nominate, in the prescribed manner, a person to whom his shares in or debentures of the Company shall vest in the event of his death.
- (b) Where the shares in or debentures of, the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company or as the case may be, on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company or as the case may be, all the joint holders, in relation to such shares in or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

Notice of application when to be given.

60. Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56(3) of the Act.

Death of one or more joint-holders of securities.

61. Every holder of share(s) in and/or debenture(s) of the Company may at any time nominate in the manner prescribed under the Act a person to whom his share(s) in and/or debenture(s) of the Company shall vest in the event of his death.

Where the share(s) in and /or debenture of the Company, are held by more than the one person jointly, all the joint holders may together nominate in the manner prescribed under the Act a person to whom all the rights in the share(s) and/or debenture(s) of the Company, as the case may be shall vest in the event of death of all the joint holders.

Notwithstanding anything contained in any other law for the time being in force or in these Article or in any disposition, whether testamentary or otherwise, in respect of such share(s) in, and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act purports to confer on any person the right to vest the share(s) in and/or debenture(s) of the Company the nominee shall on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holder, as the

case may be, became entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other person unless the nomination is varied cancelled in the manner prescribed under the Act.

Where the nominee is a minor the holder of the share(s) in and/or debenture(s) of the Company, can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the share(s) in and/or debentures(s) of the Company in the event of his death during the minority.

62. Notwithstanding anything contained in these Articles any person who became a nominee by virtue of the provision of Article 59 upon the production of such evidence as may be required by the Board and subject as hereinafter provided may elect either.
- a. To be registered himself as holder of the share(s) and/or debenture(s) as the case may be or
 - b. To make such transfer of the share(s) and/ or debenture(s) as the case may be as the deceased shareholder and debenture holder as the case may be could have made.

If the person being a nominee so becoming entitled elects to be registered as holder of the share(s) and/or debenture(s) himself he shall deliver or send to the Company, notice in writing duly signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder and/or debenture holder, as the case may be.

All the limitation restriction and provision of the Act relating to the right to transfer and the registration transfer of share(s) and/or debenture (s) shall be applicable to any such notice or transfer as aforesaid as if the death of the share holder/ debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder and/or debenture holder as the case may be.

63. A person, being nominee becoming entitled to the share(s) and/or debenture(s) by reason of the death of the shareholder shall be entitled to the same dividend and other advantage to which he would be entitled if he were the registered member in respect of his share(s) and/or debenture(s) except that he shall not, before being registered a member in respect of his share(s) or debenture(s) be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

Provided that the Board may, at any time give notice requiring any such person to elect either to be registered himself or to transfer the share(s) and/ or debenture(s) and if the notice is not complied with within ninety days, the Board may hereinafter withhold payment of all dividend bounces or other moneys payable in respect of the share(s) and/or debenture(s) until the requirement of the notice have been complied with.

No transfer to infant, etc.

64. No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

Registration of persons entitled to share otherwise than by transfer.

65. Subject to the provisions of the Act and Articles 59 and 61 any person becoming entitled to shares in consequences of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by transfer in accordance with these Articles may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

Persons entitled may receive dividend.

66. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the share.

Fee on transfer or transmission.

67. There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.

Company not liable for disregard of a notice prohibiting registration of a transfer.

68. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown on appearing in Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBER

Copies of Memorandum and Articles of Association to be sent by the Company.

69. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee one per page of the document requested for.

BORROWING POWERS

Powers to borrow.

70. Subject to the provision of Section 179 of the Act the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loan obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

Payment or repayment of moneys borrowed.

71. Subject to the provisions of Article 70 hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Ordinary Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities may be made assignable from any equities between the Company and the person to whom the same may be issued.

Terms of issue of Debentures.

72. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a special resolution.

Register of Mortgages, etc. to be kept.

73. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and

shall cause the requirements of Sections 77 to 87 (both inclusive) of the act in that behalf to be duly complied with, so far as they are required to be complied with by the Board.

Register and Index of Debenture-holders.

74. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or Country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Shares may be converted into stock.

75. The Company in General Meeting may convert any paid-up shares into stocks and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein or any part of such interest in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Right of stock-holders.

76. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and the profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETINGS OF MEMBERS

Annual General Meeting—Annual Return.

77. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings, other than Annual General Meetings shall be called "Extraordinary General Meetings". The first Annual General Meeting shall be held within nine months after the expiry of the financial year in which the Company was established and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city in which the office of the Company is situate as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' share holdings which latter register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the annual return and financial statement and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.

Extraordinary General Meeting.

78. The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Requisition of Members to state object of meeting.

79. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

On receipt of requisition Directors to call meeting and in default requisitionists may do so.

80. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than forty five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 100(2) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

Meeting called by requisitionists.

81. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

Twenty one days' notice of meeting to be given.

82. At least Twenty-one days' notice of every General Meeting—Annual or Extraordinary — and by whomsoever called specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. However, any General Meeting may be convened by giving a shorter notice than 21 (twenty one) days with the consent of the Shareholders representing not less than 95% (ninety five percent) of the Members of the Company entitled to vote thereat, in case of Annual General Meeting and with the consent of the majority in number of the Members entitled to vote, representing not less than 95% (ninety five percent) of paid up capital of the Company in case of Extra ordinary General Meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, and in the case of any other meeting, in any event, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or interest if any, therein of every Director of the concern, and the Manager, (if any). Where any such item of special business relates to, or affects any other company, the extent of shareholding interest in other company of every Director, and the Manager if any, of the Company shall also be set out in the statement if the extent of such share-holding interest is not less than 20 per cent of the paid-up share capital of that other company. Where any item of business consists of according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed.

83. The accidental omission to give any such notice as aforesaid to any of the members or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

General Meeting not to transact business not mentioned in the notice.

84. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business which has not been mentioned in the notice or notices upon which the meeting was convened.

Quorum at General Meeting.

85. The provisions relating to Quorum shall be governed by Section 103 of the Act.

If quorum not present meeting to be dissolved or adjourned.

86. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a national holiday until the next succeeding day which is not a national holiday at the same time and place or at such other time and place within the city town or village in which the Registered Office of the Company is situated as the Board may determine, and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Chairman of General Meeting.

87. The Chairman of the Board shall be entitled to take the chair at every General Meeting whether Annual or Extra Ordinary. If the Chairman is unable or unwilling to take the chair or if he is not present within fifteen minutes of the time appointed for holding such meeting then the Vice Chairman shall be entitled to take the chair at such meeting. If there be no such Chairman and/or Vice Chairman if he/they are unable/unwilling to take the chair, or if he/they are not present within fifteen minutes of the time appointed for holding such meeting, then the Directors present shall elect another Director as Chairman, and if no Director is present, or if all the Directors present decline to take the chair, then the members present shall elect one of their number to be the Chairman.

Business confined to election of Chairman whilst Chair vacant.

88. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

Chairman with consent may adjourn meeting.

89. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Questions at General Meeting how decided

90. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy, and holding shares in the Company, which confer a power to vote on the resolution not being less than one-tenths of the total voting power in respect of the Resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons making the demand, unless a poll is so demanded a declaration by the Chairman that a resolution has, on show of hands, been carried or carried unanimously or by a particular majority or lost; and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Chairman's casting vote.

91. In the case of an equality of votes, the Chairman shall both on show hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.
92. If a poll is demanded as aforesaid the same shall subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers at poll.

93. Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

In what case poll taken without adjournment.

94. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

Demand for poll not to prevent, transaction of other business.

95. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Passing of resolutions by postal ballot

96. Subject to the provisions of Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company may pass resolutions by way of postal ballot from time to time.

VOTES OF MEMBERS

Members in arrears not to vote.

97. No member shall be entitled to vote either personally or by proxy at any General Meeting or meetings of class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

Number of votes to which Member entitled.

98. Subject to the Provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in Section 47 (2) of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affects the right attached to his preference shares.

Casting of votes by a member entitled to more than one vote.

99. On a poll taken at a meeting of the Company a member entitled to more than one vote, or his proxy or other persons entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

How Members of unsound mind and minor may vote.

100. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairman of the meeting.

Votes of joint-members.

101. If there be joint registered holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stand higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Voting in person or by proxy.

102. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

Votes in respect of shares of deceased and insolvent Member.

103. Any person entitled under Article 63 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours atleast before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy.

104. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney or if such appointer is a corporate body under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

Proxy either for specified meeting or for a period.

105. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

Proxy to vote only on a poll.

106. A member present by proxy shall be entitled to vote only on a poll.

Deposit of instrument of appointment.

107. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or notarised/certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy.

108. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit, be in the form as prescribed in the Act.

Validity of votes given by proxy notwithstanding death of member.

109. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.

Time for objections of votes.

110. No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of the meeting to be the judge of validity of any vote.

111. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

112. (a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. Minutes of General Meeting and inspection thereof by members.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- (f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could necessarily be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (g) Any such minutes shall be evidence of the proceedings recorded therein.
- (h) The book containing the minutes of proceedings of General Meeting shall be kept at the office of the Company and shall be open during business hours, for such periods as the Directors may determine, for the inspection of any member without charge.

DIRECTORS

Number of Directors.

113. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of the Directors shall not be less than three nor more than fifteen.
114. Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any Senior Executive of the Company as a whole-time Director of the Company for such period and upon such terms and conditions as the Board may decide. A Senior Executive so appointed shall be governed by the following provisions:

- (a) He shall be liable to retire by rotation as provided in Article 131 but shall be eligible for reappointment under Article 133. His reappointment as Director shall not constitute a break in his appointment as whole-time Director.
 - (b) He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation under Article 131.
 - (c) He shall cease to be Director of the Company on the happening of any event specified in Article 124 hereof. He shall cease to be a Director of the Company, if for any reason whatsoever, he ceases to hold the position of Senior Executive in the Company or ceases to be in the employment of the Company.
 - (d) His remuneration shall be fixed by the Board and shall be payable out of the funds of the Company subject to the provisions of the Act and approval of the Company in the General Meeting.
 - (e) He shall not be required to hold any qualification share for his appointment as a whole-time Director of the Company.
115. Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all/or any of such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole-time Directors.

Power to appoint ex-officio Directors.

116. Whenever Directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 161 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may fill any vacancy that may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment, remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

Debenture Directors.

117. If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

Appointment of Alternate Director.

118. The Board may appoint an Alternate Director to act for a Director (other than an Independent Director) (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director

and not to the Alternate Director. No person shall be appointed as an Alternate Director in place of an Independent Director.

Directors' power to add to the Board.

119. Subject to the provisions of Sections 149, 152 and 161, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the limits fixed under Article 113. Any such additional Director shall hold office only up to the date of the next Annual General Meeting.

Directors' power to fill casual vacancies.

120. Subject to the provisions of Section 149, 152, 161, 165 and 169 the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Remuneration of Directors.

121. (a) Subject to the provisions of the Act, the Executive Chairman or a Managing Director or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (b) Subject to the provisions of the Act, a Director other than the Executive Chairman or a Director in the whole-time employment or a Managing Director may be paid remuneration either:
- i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
 - ii) by way of commission if the Company by a special resolution authorised such payment.
- (c) The fee payable to a Director (excluding the Executive Chairman or a Managing or Whole time Director, if any) for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limit of such a fee that may be prescribed by the Central Government under the proviso to section 197(5) of the Companies Act, 2013.

Traveling expenses incurred by Director not a bonafide resident or by Director going out on Company's business.

122. The Board may allow and pay to any Director, who is not a bona-fide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

Directors may act notwithstanding any vacancy.

123. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 113 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

When office of Directors to become vacant.

124. Subject to Sections 167 and 188 of the Act, the office of a Director shall become vacant if:
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or

- (b) he applies to be adjudicated as an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of the shares held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (e) he absents himself from all meetings of the Board of Directors held during a period of 12 months with or without leave of absence from the Board; or
- (f) he becomes disqualified by an order of the Court; or
- (g) he is removed in pursuance of Section 169; or
- (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private Company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Act; or
- (i) he acts in contravention of Section 184 of the Act; or
- (j) he is convicted by a Court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the company; or
- (l) he resigns his office by a notice in writing addressed to the Company in accordance with Section 168.

Related Party Contracts.

125. (a) Except with the consent of the Board of Directors given by a resolution at a meeting of the Board, the company shall not enter into any contract or arrangement with a related party with respect to:-
- i. Sale, purchases or supply of any goods or materials.
 - ii. Selling or otherwise disposing of, or buying, property of any kind,
 - iii. Leasing of property of any kind
 - iv. Availing or rendering of any services
 - v. Appointment of any agent for purchases or sale of goods, materials, services or property.
 - vi. Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company and
 - vii. Underwriting the subscription of any securities or derivatives thereof, of the company.
- (b) It is provided all related party transactions entered into by the Company shall be in its ordinary course of business and at arms' length basis. The transactions shall be subject to noting, review and approval of the Audit Committee, if any, constituted by the Company under the Act.
- (c) Wherever required in accordance with the provisions of the Act and /or the rules made thereunder, the company shall obtain necessary approvals from the members at a general meeting.

Disclosure of interest.

126. A Director of the Company who is in any way—whether directly or indirectly—concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act, provided that it shall not be necessary for a director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

General Notice of Interest.

127. A general Notice given to the Board by the Director to the effect that he is a director or member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Interested Directors not to participate or vote in Board's proceedings.

128. No Director shall as a director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void, provided however, that nothing herein contained shall apply to:
- (a) any contract of indemnity against any loss which the Directors or anyone or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
 - (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:
 - (i) in his being:
 - a. a director of such company, and
 - b. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the company; or
 - (ii) in his being a member holding not more than 2% of its paid-up share capital.

Register of contracts in which Directors are interested.

129. The Company shall keep a Register in accordance with Section 189 within the time specified therein enter in the said register such of the particulars as may be relevant having regard to the application thereto of Section 188 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies, corporate and firms of which notice has been given by him under Article 127. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

Directors may be directors of companies promoted by the Company.

130. A Director may be or become a Director of any company promoted by the Company or in which it may be interested as vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 197 (6) or Section 188 of the Act may be applicable.

Retirement by Rotation of Directors.

131. At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, Investor Nominee Director, Promoter Nominee Director(s), and the independent directors, if any, shall not be counted in determining the number of Directors liable to retire by rotation.

Determination of Directors retiring by rotation and filling of vacancies.

132. Subject to Section 149 read with section 152 (6) (a) of the Act, Directors to retire by rotation under Article 131 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election.

133. A retiring Director shall be eligible for re-election.

Provision in default of appointment.

134. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless:
- (i) at that meeting or at the previous meeting resolution for that reappointment of such Director has been put to the meeting and lost;
 - (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be re-appointed;
 - (iii) he is not qualified or he is disqualified for appointment;
 - (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
 - (v) the proviso to sub-section (2) of Section 162 of the Act is applicable to the case.

Company may increase or reduce the number of Directors.

135. Subject to Section 149 of the Act, the Company may by Special Resolution, from time to time, increase or reduce the number of Directors, and may, (subject to the provisions of Section 169 of the Act) remove any director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of Candidate for office of Director except in certain cases.

136. (a) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some members intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his

hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office along with a deposit of Rupees One Lakh which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

- (b) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an Additional Director/Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc and notification of change to Registrar.

137. The Company shall keep at its office a Register containing the particulars of its Directors, Managing Directors, Managers, and Key Managerial Personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respect.

Register of shares or debentures held by Directors.

138. The Company shall in respect of its Director also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

Disclosure by director of appointment to any other body corporate.

139. Every Director, Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 170 of the Act.

Disclosure by a Director of his holding of shares and debentures of the Company, etc.

140. Every Director and every person deemed to be a Director of the Company by virtue of Section 170 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

INDEPENDENT DIRECTORS

Appointment of Independent Directors

141. Pursuant to Section 149, the Company shall appoint at least as many number of independent directors as shall be required to be appointed pursuant to the rules prescribed by the Central Government and in accordance with the provisions of said section 149 and the rules so prescribed.
142. For the purpose of these present, an independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—
- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - (b)
 - (i) who is or was not a Promoter of the Company or its holding, subsidiary or associate company;
 - (ii) who is not related to Promoters or directors in the Company, its holding, subsidiary or associate Company;

- (c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) who, neither himself nor any of his relatives–
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of–
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the Company; or
- (f) who possesses such other qualifications as may be prescribed.

Manner of Appointment of Independent Directors

143. The provisions relating to the manner of appointment of independent directors are as contained hereinafter:-

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
 - (a) the term of appointment;

- (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the Company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

Term of Independent Director:

144. An independent director shall be appointed for a maximum period of two consecutive terms. Each such term shall be for a maximum of 5 years. Re-appointment for a second term shall be only by way of special resolution at the general meeting.

Remuneration of Independent Director:

145. An independent director may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members. However, an Independent Director shall not be entitled to any Stock Option.

Disclosure by Independent Director:

146. Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of Section 149.

Independent director shall not retire by rotation

147. The provisions relating to retirement by rotation of a director shall not apply to an independent director.

Vacancy of independent Director

148. Any vacancy in the office of independent director shall be filled by the Board of Directors within a period of not more than 180 days.

Separate meetings of Independent Director

149. There shall be at least one separate meeting of the independent directors during one financial year. The provisions relating to such separate meeting are as given below:-
- (1) The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
 - (2) All the independent directors of the Company shall strive to be present at such meeting;
 - (3) The meeting shall be:

- (a) to review the performance of non-independent directors and the Board as a whole;
- (b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non- executive directors;
- (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Duties of Independent Directors

150. The following shall be the duties of independent directors:-

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the Company;
- (6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the Company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- (10) ascertain and ensure that whenever applicable, the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

MANAGEMENT

Board may appoint Executive Chairman and Managing Directors

151. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its members as Executive Chairman, Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Executive Chairman, Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit,

and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Executive Chairman, Managing Director or Managing Directors may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act. The Executive Chairman shall not be required to retire by Rotation under Article 132. Notwithstanding anything contained in this Article where no Executive Chairman is appointed as such, the Board of Director may elect, from time to time, any of its members, as Chairman who shall be subject to retirement by rotation. Subject to the provisions of the Act and of these Article, the Board shall have the power to nominate from time to time, any of its members as Vice-Chairman on such terms and conditions as the Board thinks fit. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Director” or “Deputy Managing Directors”, as the case may be, and accordingly the expression “Managing Director” shall also include and be deemed to include “Joint Managing Director” or “Deputy Managing Director” as the case may be.

Managing Directors and Whole-time Directors to report to Executive Chairman

152. The Managing Director or Managing Directors or Directors who are in the whole time employment in the Company shall subject to supervision and control of the Executive Chairman, exercise such powers as are vested in them by the Board

Restriction on management.

153. The Executive Chairman or Managing Director or Managing Directors shall not exercise the powers to:
- (a) make calls on shareholders in respect of money unpaid on the shares in the Company;
 - (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 179 of the Act shall also not exercise the powers to;
 - (c) borrow moneys otherwise than on debentures;
 - (d) invest the funds of the Company; and
 - (e) make loans.

Certain persons not to be appointed as Executive Chairman or Managing Director or Whole-time Director.

154. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Chairman or Managing or Whole-time Director who,
- (a) is an undischarged insolvent, or has any time been adjudged an insolvent;
 - (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them, or
 - (c) is, or has at any time, been, convicted by a Court of an offence involving moral turpitude.

CONSTITUTION, APPOINTMENT AND NOMINATION BY INVESTORS, PROMOTERS AND PROMOTER GROUP SHAREHOLDERS

155. The Investor shall have the right to nominate and appoint 1 (one) nominee Director (hereinafter referred to as “**Investor Nominee Director**”) on the Board of Directors of the Company, provided however that such right shall be exercisable so long as the shareholding of the Investor does not fall below 5.00% (five per cent) of the total paid-up share capital of the Company, on a fully diluted basis.

Provided further that the right to appoint the Investor Nominee Director shall be subject to the approval of the shareholders of the Company by way of a special resolution subsequent to the listing and trading of the Equity Shares of the Company on a recognized stock exchange in India.

The Board of Directors shall meet to appoint such individual as may be nominated by the Investor in accordance with the Agreement as a Director of the Company, in accordance with Applicable Law (as defined under the Agreement, as amended).

156. The Promoter and Promoter Group Shareholders shall, collectively have the right to nominate and appoint such number of nominee Director(s) ("**Promoter Nominee Director(s)**") on the Board of Directors of the Company, as provided below:
- a) So long as the Promoter and Promoter Group Shareholders together hold such number of Equity Shares which together constitute 25.00% (twenty five per cent) or more of the paid-up share capital of the Company on a fully diluted basis, they shall, collectively have the right to appoint 2 (two) Promoter Nominee Directors;
 - b) So long as the Promoter and Promoter Group Shareholders together hold such number of Equity Shares which together constitute 5.00% (five per cent) or more, but less than 25.00% (twenty five per cent), of the paid-up share capital of the Company on a fully diluted basis, they shall, collectively have the right to appoint 1 (one) Promoter Nominee Director;

Such Promoter Nominee Director(s) shall not be bound to hold any qualification shares. It is clarified that the said rights are for the benefit of the Promoter and Promoter Group Shareholders and such right of the remaining Promoter and Promoter Group Shareholders shall not be affected in the event of cessation of one or more of such Promoter and Promoter Group Shareholders and further that the aforesaid rights cannot be transferred to any other person by any of the aforementioned Promoter and Promoter Group Shareholders as a result of a sale of their shareholding or for any other reason. Further, such rights of appointment of Promoter Nominee Director(s) shall not supersede the requirement of having majority of independent Directors on the Board of Directors of the Company, or any other provisions of applicable law.

Provided further that such rights to nominate and appoint the Promoter Nominee Director(s) shall be subject to the approval of the shareholders of the Company by way of a special resolution subsequent to the listing of the Equity Shares of the Company on a recognized stock exchange in India pursuant to the Offer.

The Board of Directors shall meet to appoint such individual as may be nominated by the Promoter and Promoter Group Shareholders, in accordance with the Agreement as a Director of the Company, in accordance with Applicable Law (as defined under the Agreement).

157. Subject to Article 155, the Investor shall have the right to replace or remove the Investor Nominee Director at any time and from time to time. It is clarified that if the Investor does not propose any person for appointment as the Investor Nominee Director at any time, then such act will not constitute future waiver of right to nominate on part of the Investor.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of Directors.

158. The Directors may meet together as a Board for the purpose of business from time to time, and atleast four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. The gap between two Board Meetings shall not exceed one hundred and twenty (120) days.
159. The Board of Directors may if it considers necessary make arrangements for directors to attend and participate in a meeting of the Board or a committee thereof through video conferencing or other audio visual means in accordance with the provisions of sub section 2 of 173 of the Act. It is provided however that such meeting held through video conferencing or other audio visual means shall not transact businesses which under the rules prescribed under the Act are not permitted to be transacted through such meetings.

Notice of Meetings.

160. At least Seven days' notice of every meeting of the Board shall be given by the Secretary of the Company, if any, or by any person or persons nominated by the Executive Chairman, in writing to every Director at his usual address. Provided, however, that the Chairman of the Board shall have the powers to convene a meeting of the Board or to request the Secretary of the Company to convene a Meeting of the Board by giving a shorter notice. Such notice or shorter notice may be sent by email or hand delivery or post or

by cable or telegram depending upon the circumstances. Any notice shorter than seven days shall be consented to by all the directors.

Quorum.

161. Subject to Section 174 of the Act, the Quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

Adjournment of meeting for want of quorum.

162. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

When meeting to be convened.

163. The Secretary shall as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

Chairman

164. The Chairman of the Board shall be appointed by the Board by majority from time to time. In case the Chairman is unavailable, any Director may be appointed by the Board as the Chairman for that particular meeting to act as the Chairman of the Board.

Questions at Board Meetings how decided.

165. Questions arising at any meeting of the Board, shall be decided by a majority of vote and in the case of an equality of votes the Chairman shall have a second or a casting vote

Powers of Board Meeting.

166. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

Directors may appoint Committee.

167. Subject to the restriction contained in Section 179 of the Act the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

Meeting of Committee how to be governed.

168. The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by circulation.

169. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Secretary of the Company, if any, or by any person or persons nominated by the Executive Chairman, together with the necessary papers if

any to all the Directors or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Acts of Board or Committee not valid notwithstanding informal appointment.

170. All acts done by any meeting of the Board or by a Committee of the board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as if every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated: provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of the Board meetings.

171. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting at any time before the next meeting or the Chairman of the next succeeding meeting at the next meeting.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) The minutes shall also contain:
- (i) The names of the Directors present physically or through electronic mode at the meeting; and
 - (ii) In the case of each resolution passed at the meeting, the names of the Directors if any, dissenting from, or not concurring in the resolution.
- (g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
- (i) is or could reasonably be regarded as defamatory of any person;
 - (ii) is irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interest of the Company.
- The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.
- (h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

Powers of Directors

172. The Board may exercise all such powers of the Company and do all such acts and things as are not by the Companies Act, or any other act or by the Memorandum or by the Articles of the Company required

to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting accorded by an ordinary resolution.

- (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation.
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose. Provided further that the powers specified in Section 179 of the Act shall subject to these Articles be exercised only at meeting of the Board unless the same be delegated to the extent therein stated; or
- (e) Subject to section 181 of the Act, contribute to a bonafide charitable and other funds, any amounts the aggregate of which will, in any financial year exceed five percent of its average net profits for the three immediately preceding financial years

Certain powers of the Board.

173. (a) Without prejudice to the general powers conferred by the preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say power to adopt all preliminary contracts, if any, entered into by the Company either by entering into a contract or with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate the person or company for services rendered or to be rendered for the formation or promotion of the Company or for the acquisition of any property, licence, trademarks, copyrights, letter of intent, allotments, know how or similar thing by the Company.
- (b) Without prejudice to the generality of the foregoing, upon the adoption of preliminary contracts, if any, entered into by and between the Company and any other persons, the Board shall have power in its absolute discretion to issue and allot fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or such other Securities or partly by one and partly by other, in any combination, in one or more trenches may be thought fit by the Board, for consideration in cash or otherwise than in cash to any person in terms of the agreement that may be entered into between the Company and any other person including:
- (i) To pay cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
 - (ii) To enter into contracts for the acquisition of fixed assets, net current assets, selling rights etc and to enter into non-compete agreements with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate person or company for services rendered or to be rendered or for the acquisition of any property, licence, trademarks, letter of intent, allotments, know how or similar thing by the Company and for the purpose to pay for such consideration as may arise therefrom by issue of fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or

partly by one and partly by other, in any combination, in one or more tranches as the Board may deem fit.

- (iii) To pay and charge to the capital account of the Company any commission or brokerage lawfully payable thereon under the provisions of the Act.
- (iv) Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (v) At their discretion and subject to provision of the Act to pay for any property, rights, or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (vi) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (vii) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (viii) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- (ix) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and or any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (x) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- (xi) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (xii) Subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- (xiii) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit, of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (xiv) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give them necessary authority for such purpose.

- (xv) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
- (xvi) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or any connection of such persons, by building or contributing to the building of houses, dwellings, or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments or by creating, and from time to time subscribing or contributing to provident fund and other associations, institutions, funds, trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee to charitable, benevolent, religious, scientific, national or institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.
- (xvii) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debenture or debenture-stock or for special dividends or for equalising dividends or for repairing, improving, extending, and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 179 of the Act, invest the several sums to set aside for so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or Division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debenture or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.
- (xviii) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified localities in India or elsewhere in such manner as they think fit and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- (xix) To comply with the requirements of any local law which in their opinion shall be in the interests of the Company necessary or expedient to comply with.
- (xx) From time to time and at any time to establish any local Board for managing any of the affairs of the company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards, and to fix their remuneration.

- (xxi) Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorise the Members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (xxii) At any time and from time to time by power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in/or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits, authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any company or firms or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretion for the time being vested in them.
- (xxiii) Subject to Section 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (xxiv) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company its officers and servants.

Key Managerial Personnel in addition to Managing and Whole Time Directors

- 174. Subject to the provisions of the Act, a Chief Executive Officer (CEO), Manager, Company Secretary or a Chief Financial Officer (CFO) may be appointed by the Board for such terms, at such remuneration and upon such conditions as it may think fit and any CEO, Manager, Company Secretary or CFO so appointed may be removed only by means of a Board Resolution.
- 175. The Company shall not at the same time appoint or employ a Managing Director and Manager.

THE COMPANY SECRETARY

Company Secretary.

- 176. Subject to the provisions of Section 205 of the Act, the Board of Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called 'the Company Secretary') who shall have such qualifications as prescribed under the Act and his functions shall include:-
 - a. To report to the Board about compliance with the provisions of the Act, the rules made thereunder and other laws applicable to the Company and for this purpose the Board shall provide for a Compliance Management System to enable the Secretary to monitor and report on the compliances;
 - b. To ensure that the Company complies with the applicable secretarial standards
 - c. Such other functions and duties as may be required to be performed by the said Company Secretary as the Board may decide by a resolution or as may be prescribed under the various provisions of the Act from time to time.

THE SEAL

The seal, its custody and use.

177. (a) The Board may provide a Common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu of the same, and may provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official seal for use in any territory, district or place outside India.

Deeds how executed.

178. Every Deed or other instrument, to which the seal of the Company, if any, is required to be affixed to satisfy the requirements of law or any contractual requirement, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose.

DIVIDENDS

Division of profits.

179. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members, in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

180. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends only to be paid out of profits.

181. No dividends shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that:
- (a) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
- (b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 123 of the Act or against both.

Interim dividend.

182. The Board may from time to time, pay to the Members such interim dividends as in their judgement the position of the Company justifies.

Capital paid up in advance to interest but not to earn dividend.

183. Where Capital is paid in advance of calls such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

Dividends in proportion to amount paid-up.

184. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

Retention of dividends until completion of transfer under Article 63.

185. The Board may retain the dividends payable upon shares in respect of which any person is, under Article 63 entitled to become a Member or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

Dividend etc. to joint-holders.

186. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

No member to receive dividend whilst indebted to the Company, and Company's right of reimbursement thereof.

187. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any moneys may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sums of moneys so due from him to the Company.

Right to Dividend, rights shares and bonus shares to be held in abeyance pending registration of transfer of shares.

188. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the company, it shall.
- (a) transfer the dividend in relation to such shares to the special account referred to in Section 126 of the Act, unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
 - (b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of subsection (1) of Section 62 and any issue of fully paid up bonus shares in pursuance of first proviso to sub-section (5) of Section 123 of the Act.

Dividends how remitted.

189. Unless otherwise directed any dividend may be paid by National Electronic Funds Transfer / Real Time Gross Settlement (NEFT / RTGS) or cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Unclaimed dividend

190. No unclaimed dividend shall be forfeited and the same shall be dealt with in accordance with the provisions of Section 124, 125 and 126 or other provisions, if any, of the Act as may be applicable, from time to time. Pursuant to section 124, where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Metro Brands Limited Unpaid Dividend Account". Any money transferred to the unpaid dividend account of the Company which

remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the fund known as Investor Education and Protection Fund established under section 125 of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.

No interest on dividends.

191. No unpaid dividend shall bear interest as against the Company.

Dividend and call together.

192. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the member, be set off against the calls.

Capitalisation.

193. (a) The Company in General Meeting may by a special resolution resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Account or Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Shares Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised value or sum or fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium account and a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.
- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge may be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties and may vest any such cash or the specific assets in trustees upon such trusts for the person entitled to the dividends or capitalised funds as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

Directors to keep true accounts.

194. The Company shall keep at the Office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 128 of the Act with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
- (b) all sales and purchases of goods by the Company; and

- (c) the assets and liabilities of the Company.

Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. The Company shall preserve in good order the Books of Accounts relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Accounts. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Accounts relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid. The Books of Accounts shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be and explain its transactions. The Books of Accounts and other books and papers shall be open to inspection by any Director during business hours.

As to inspections of accounts or books by Members.

195. The Board shall from time to time determine whether and to what extent and what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

Statement of Accounts to be furnished to General Meeting.

196. The Directors shall from time to time, in accordance with Sections 129, 130, 131 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profit and Loss Accounts, Cash Flow Statement and Reports as are required by these Sections.

Copies shall be sent to each Member.

197. A printed copy of every Balance Sheet (including every document required by law to be annexed or attached thereto) which is to be laid before the Company in Annual General Meeting together with a copy of the Auditors' Report or a statement containing salient feature of such documents in the prescribed form, as laid down under Section 136 of the Act as the Company may deem fit, shall not less than twenty one days before the date of the Meeting, be sent to every person entitled thereto pursuant to the provisions of the said Section.
198. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in general meeting shall be conclusive except as regards any matters in respect of which modifications may from time to time be considered proper by the Board of Directors and approved by the shareholders at a general meeting.

Auditors

199. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act.

CORPORATE SOCIAL RESPONSIBILITY

200. The Company shall constitute a Corporate Social Responsibility Committee (CSR) Committee consisting of three or more directors, out of which at least one director shall be an independent director.
201. The Board shall consider the recommendations made by the CSR committee and after approving the CSR Policy, disclose the consents of such policy in its report and also place it on the Company's website.
202. The Board shall ensure that the activities as are included in CSR policy of the Company are undertaken by the Company.

DOCUMENTS AND NOTICES

Service of documents or notices on Members by Company.

203. (a) A document or notice may be served or given by the Company on any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any in India supplied by him to the Company for serving documents or notice on him. Simultaneously, with the despatch of the notice or documents as the case may be, confirmation of the same shall be forwarded to all those members of the Company who may be outside India.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the company in advance that documents and notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and, such service shall be deemed to have been effected in the case of a Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

By advertisement

204. A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

On joint holders.

205. A document or notice may be served or given by the Company on or to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holder named first in the Register of the Members in respect of the share.

On personal representatives etc.

206. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose but the persons claiming to be entitled or until such an address has been so supplied by serving the document, or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

To whom documents or notice must be served or given.

207. Documents or notices of every General Meeting shall be served or given in some manner herein before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.

Members bound by documents or notices served on or given to previous holders.

208. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice by Company and signature thereto.

209. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

Service of document or notice by Member.

210. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by leaving it at the office.

WINDING UP

Liquidator may divide assets in specie.

211. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may with the sanction of a Special Resolution, but subject to the rights attached to any preference shares capital, divide among the contributors in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributors as the liquidator, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right of indemnity.

212. Every officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act, in which relief is granted to him by the Court.

SECRECY CLAUSE

Secrecy Clause.

213. (a) Every Director, Manager Company Secretary, Chief Financial Officer, Auditor, Treasurer, member of a Committee, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No members shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret mystery of trade, secret process of any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

GENERAL POWER

214. Wherever in the Companies Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

PART B

Interpretation clause.

1. In the interpretation of these Articles, unless repugnant to the subject or context:
 - a) “The Company” or “this Company”
“The Company” or “this Company” means “Metro Brands Limited”
 - b) “The Act” or the “Companies Act”
“The Act” means the Companies Act 2013, as amended.
 - c) “Articles”
“Articles” means these Articles of Association of the Company, as originally framed and as amended from time to time and which is in force for the time being;
 - d) “Agreement”
 - e) “Agreement” means the Subscription and Shareholders Agreement between the Rafique A. Malik, Aziza R. Malik, Rakesh Jhunjhunwala and the Company dated January 18, 2007, as amended from time to time “Auditors”
“Auditors” means and includes those persons appointed as such for the time being by the Company.
 - f) “Beneficial owner”
“Beneficial owner” shall mean beneficial owner as defined in clause (a) of subsection (1) of Section 2 of the Depositories Act, 1996.
 - g) “Board” or “Board of Directors”
“Board” or “Board of Directors” means the requisite number of Directors of the Company collectively assembled at a duly called valid meeting of the Directors.
 - h) “Board Meeting”
“Board Meeting” means a meeting of the Board of Directors convened and held in accordance with these presents and the applicable provisions of the Act.
 - i) “Capital”
“Capital” means the share capital for the time-being raised or authorised to be raised for the purposes of the Company.
 - j) “Chairman” shall mean the chairman of the Board of Directors
 - k) “Debenture”
“Debenture” includes debenture-stock.
 - l) “Depositories Act, 1996”
“Depositories Act, 1996” shall include any statutory modification or re-enactment thereof.
 - m) “Depository”
“Depository” shall mean a Depository as defined under clause (e) of subsection (1) of section 2 of the Depositories Act, 1996.

- n) “Directors”
- “Directors” means any director of the Company, including alternate directors, independent directors and nominee directors appointed to the Board of a Company in accordance with law and the provisions of these Articles.
- o) “Dividend”
- “Dividend” includes any interim dividend.
- p) “Fundamental Issues” shall mean the following:-
- (i) Any capital expenditure or indebtedness (including giving of security for or guaranteeing debts) beyond 10% of that budgeted for in the Annual Business Plan (including a revised Annual Business Plan) that is approved by the Board of Directors.
 - (ii) Investments in any other companies / assets / entities (other than (i) short term treasury operations or (ii) those relating to the Business) except if the investment does not exceed Rs.5,00,00,000 per year cumulatively and does not exceed 14% of the paid up capital of the investee company.
 - (iii) Amendments or any proposal to amend the Memorandum or Articles of Association of the Company including change in the number of Board members of the Company.
 - (iv) Commencement of any new line of business or acquisition of shares of a company, which is unrelated to the Business of the Company.
 - (v) Commencement or settlement of litigation where the amount involved is above Rs.1,00,00,000 in any particular financial year other than those arising as part of the Company’s normal course of Business.
 - (vi) Changes to material accounting or tax policies or practices other than those required by Applicable Law.
 - (vii) Recommend, giving or renewing of security for or the guaranteeing of debts or obligations of the Company or any Subsidiary and / or Affiliates of any Person, other than in the normal course of Business.
 - (viii) Any change in the Financial Year for preparation of audited accounts of the Company.
 - (ix) Any resolution to appoint or re-appoint or for the removal of statutory auditors for the Company.
 - (x) Winding up and / or liquidation of the Company.
 - (xi) Divestment of or sale of assets, investments, lease, license or exchange or pledge in any other way proposing to dispose off any assets or undertaking of the Company the aggregate consideration for which in any financial year is in excess of 5% of the sales of the Company as per the last audited accounts available on the date of such transaction, other than in the normal course of Business.
 - (xii) Any agreement, arrangement, transaction to sell or assignment of intellectual property rights including those relating to copyrights, trademarks, patents and designs belonging to the Company, other than in the normal course of Business.
 - (xiii) Shifting of registered office, outside the city of Mumbai.
 - (xiv) Commencement of business/unit/division outside India, or applying for pre-qualification for bids and appointing representatives for liaison in a foreign country.
 - (xv) Any increase in the issued, subscribed or paid up equity or preference share capital of the Company or its subsidiary or any other company where it has investment, or re-organization of the share capital of the Company or its subsidiary or any other company

where it has investment, including new issue of shares or other securities of the Company or its subsidiary or any other company where it has investment or any preferential issue of shares or redemption of any shares, issuance of convertible warrants, or grant of any options over its shares by the Company or its subsidiary or any other company where it has investment.

- (xvi) Any transfer of equity shares of the Company otherwise than contemplated by this Agreement by the Promoters. The Promoters shall be restricted from selling more than 5% of their holding per annum of their shares in the Company for the 5 years from the date of the agreement without giving the Investor the first right of refusal on these shares. However, the Promoters can offer shares in an offer of sale to the tune of 10% of their holding without giving a right of first refusal on the shares to the Investor
- (xvii) Approval of any new scheme or plan for grant of employee stock options, or sweat equity shares to any person or entity, including any modification to any new or existing scheme or plan.
- (xviii) Any commitment or agreement to do any of the foregoing.

q) “Gender”

Words importing the masculine gender also include the feminine gender.

r) “In writing” or “Written”

“In Writing” or “Written” include printing, lithography and other modes of representing or reproducing words in a visible form.

s) “Investor(s)” mean Rakesh Jhunjhunwala, Rekha Rakesh Jhunjhunwala, Aryavir Jhunjhunwala, Discretionary Trust, Aryaman Jhunjhunwala Discretionary Trust and Nishtha Jhunjhunwala Discretionary Trust.

t) “Independent Director” shall mean the independent director as defined in the Act;

u) “Member”

“Member” means the duly registered holder from time to time of Shares of the Company and includes the subscribers to the Memorandum of Association of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.”

v) “Meeting” or “General Meeting”

“Meeting” or “General Meeting” means a meeting of members.

w) “Annual General Meeting”

“Annual General Meeting” means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.

x) “Extraordinary General Meeting”

“Extraordinary General Meeting” means an extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.

y) “Month”

“Month” means a calendar month.

z) “Office”

“Office” means the registered office for the time-being of the Company.

- aa) “Paid-up”
“Paid-up” includes credited as paid-up.
- bb) “Promoter(s)”
“Promoter(s)” shall mean shall mean, collectively, Rafique A. Malik, Alisha Rafique Malik, Farah Malik Bhanji, Rafique Malik Family Trust and Aziza Malik Family Trust.
- cc) “Promoter and Promoter Group Shareholders” shall mean, collectively, the persons as named under Schedule 1 of these Articles.
- dd) "Register of Members"
Register of Members means the Register of Members to be kept pursuant to the Act and includes index of beneficial owners maintained by the Depository.
- ee) “Rupee” means the lawful currency of India.
- ff) “The Registrar”
“Registrar” means the Registrar of Companies of the State in which the registered office of the Company is for the time-being situated.
- gg) “Secretary”
“Secretary” means a Company Secretary, within the meaning of clause (c) of sub-section (1) of section (2) of the Company Secretaries Act, 1980, who is appointed by the Company to perform the functions of the Company Secretary under the Act.
- hh) “Seal”
“Seal” means the Common Seal for the time-being of Company.
- ii) “SEBI”
“SEBI” shall mean the “Securities Exchange Board of India” constituted under the Securities Exchange Board of India Act, 1992
- jj) “Securities”
“Securities” means the Securities as defined in Clause (h) of section 2 of Securities Contracts (Regulation) Act, 1956.
- kk) “Singular number”
Words importing the singular number include, where the context admits or requires, the plural number and vice-versa.
- ll) “Ordinary Resolution” and “Special Resolution”
“Ordinary Resolution” and “Special Resolution” shall have meanings assigned thereto by Section 114 of the Act.
- mm) “Year” and “Financial Year”
“Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

The title or marginal notes used in these Articles shall not affect the construction hereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context bears the same meaning in these Articles.

Table F to apply to the Company in the absence of express provisions in the Articles hereinafter.

2. The regulations contained in Table F, in the First Schedule to the Companies Act, 2013, shall apply to this Company with respect to all matters for which there is no express provision in these presents, as may be amended from time to time in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

“CAPITAL AND INCREASE AND REDUCTION OF CAPITAL”.

Authorised Share Capital

3. a) The Authorised Share capital of the Company shall be as stated in Clause (V) of the Memorandum of Association of the Company.
b) The members by special resolution have the power to increase, modify the said capital and to divide the shares for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided for by the Articles of Association of the Company and subject to applicable legislative provisions for the time being in force. The Company shall be entitled to dematerialise its existing shares, reconvert its shares held by the depositories electronically to physical form and/or to offer its fresh shares in electronic form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

Increase of Capital by the Company and how carried into effect.

4. The Company at the General Meeting may, from time to time, increase the capital by creation of new shares; such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with, and if the act allows without, a right of voting at general meeting of the Company in conformity with Section 47 and 48 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

New Capital same as existing capital.

5. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Buy back of shares:

6. Notwithstanding anything contained in these Articles, in accordance with the provisions of Sections 67 to 70 of the Act or any statutory modification thereto and such other regulations and guidelines as may be issued in this regard by the relevant authorities, the Board of Directors may, if and when deem fit, buy back such of the Company's own shares, stocks or securities, whether or not they are redeemable, as it may decide, subject to such limits, upon such terms and conditions, and subject to such approval, as are specified in this regard.

The Article shall not be deemed to affect the power of the Company to enforce repayment of loans to members or to exercise a lien conferred by Article 39.

Further issue of Capital.

7. (a) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who as on the date specified under the applicable law, are holders of the equity shares of the Company, in

proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of offer within which the offer, if not accepted, will be deemed to have been declined. The aforesaid offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person and notice referred to above shall contain a statement of this right. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.

- (b) Notwithstanding anything contained in preceding sub-clause, the Company may —
 - (i) by a special resolution in a general meeting; or
 - (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the motion moved in the general meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer the equity shares of the Company to such other persons other than the existing Members of the Company such as Business Associates, Independent Professionals, Consultants, Agents, Service Providers, Financial Investors etc. on such terms and conditions including variable pricing within each of the foregoing categories as may be stipulated in the resolution approved by the Members and in accordance with the provisions of the Act and the Rules and other applicable law.
- (c) Nothing in sub clause (a) of this Article shall be deemed to extend the time within which the offer shall be accepted or to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing contained in sub-clauses (a) & (b) above, of this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures Issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company In General Meeting before the Issue of the loans.

Redeemable Preference shares.

- 8. Subject to the provisions of Section 55 and other applicable provisions of the Act, the Company shall have power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption thereof.

Provisions to apply on issue of Redeemable Preference Shares.

9. On the issue of Redeemable Preference Shares under the provisions of Article 8 hereof, the following provisions shall take effect:
- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
 - (b) no such shares shall be redeemed unless they are fully paid;
 - (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
 - (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to reduction of the share capital of the company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

Reduction of Capital.

10. The Company may (subject to Section 66 of the Act, as and when notified) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law by following the procedure prescribed by the Act.

Sub-division consolidation and cancellation of shares.

11. Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is subdivided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Modification of rights.

12. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of Sections 47 and 48 of the Act be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class.
13. (a) Subject to the provisions of sub-section 6 of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, or procuring, or agreeing to procure, subscriptions (whether absolute or conditional) for any shares in or debentures of the Company, but so that the commission shall not exceed, in the case of shares five per cent of the price at which the shares are issued, and in the case of debentures two and half per cent of the price at which the debentures are issued.
- (b) The Company may pay such sum for brokerage as may be lawful and reasonable.

Issue of Sweat Equity Shares:

14. Company shall subject to and in accordance with the provisions of section 54 of the Act, notwithstanding the prohibition contained in Section 53 of the Act for issue of shares at discount have the power, by a

Special Resolution passed at a General Meeting to issue Sweat Equity Shares to the Directors, Employees of either of the Company or of any of its subsidiary or holding Company.

SHARES AND SHARE CERTIFICATE

15. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

Shares to be numbered progressively and no share to be subdivided.

16. The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

Shares under control of Directors.

17. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) in the capital shall be under the control of the Board of Directors, who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportion on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of the Act) at a discount and at such times as the Board of Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person or persons the option or right to call for or be allotted shares of any class of the Company either (subject to the provisions of Section 52 of the Act) at a premium or at par and such option being exercisable for such time and for such consideration as the Board of Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. The Board shall cause to be filed the returns as to allotment provided for in Sections 39 and 42 of the Act. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Powers of Company to issue shares in General Meeting.

18. In addition to and without derogating from the powers for that purpose conferred on the Board by these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 52 of the Act) at a premium or at par, as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 52 of the Act) at a premium or at par such option being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Acceptance of shares.

19. Any application signed by or on behalf of an applicant for share in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who pays or otherwise accepts any shares and whose name is entered in the Register of Members shall for the purpose of these Articles, be a Member.

Deposit and call etc. to be a debt payable immediately.

20. The money, if any, which the Board shall, on the allotment of any shares being made by it, require or direct to be paid by way of deposit call or otherwise in respect of any shares so allotted, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members.

21. Every member, or his heirs, executors or administrators, shall pay to the Company the portion of capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

Share Certificates

22. (a) Every member or allottee of shares shall be entitled without payment to receive one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be, specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid thereon, provided, however, no share certificate(s) shall be issued for shares held in a Depository. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issue against letters of advice or acceptance or of renunciation or in case of issue of bonus shares. Every certificate shall specify the distinctive number of shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed company secretary: Provided that in case the company has a common seal it shall be affixed in the presence of persons required to sign the certificate. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of the issue and the amount paid thereon.
- (b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees One Hundred. The Company shall comply with the provisions of Section 46 of the Act.
- (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography; but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

Renewal of Shares Certificate.

23. (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, old, decrepit, worn out, or where there be no further space on the back thereof for endorsement of transfer, unless the certificate in lieu of which it is issued is surrendered to the Company.
- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No.... sub-divided/replaced/ or consolidation of shares."
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity and

on payment of out-of-pocket expenses incurred by the Company in investigating the evidence and such fees, as the Board thinks fit.

- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counter foil to the effect that it is “duplicate issued in lieu of share certificate No...”. The word “Duplicate” shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in “Remarks” column.
- (f) All blank forms to be issued for issue of share certificate shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other persons as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director of the Company for the time being or if the Company has no Managing Director, every director of the Company shall be responsible for the maintenance, preservation and safe custody of all books, and documents relating to the issue of share certificate except the blank forms of share certificates referred to in sub-Article (f).
- (h) All books referred to in sub-Article (g) shall be preserved in good order permanently.
- (i) Every certificate under this article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding the amount payable under applicable law for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
- (j) Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
- (k) Subject to the provisions of the Act, the provisions of this article relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures of the Company.

Power of Board of Directors to regulate sub-division or consolidation.

24. Notwithstanding anything contained in Article 23, the Board of Directors or any committee thereof shall be entitled to refuse any application for sub-division or consolidation of shares into denominations of less than ten except when such sub-division or consolidation is required to be made to comply with a statutory order or an order or a decree of a competent court of law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to necessary verification by the Company.

The first named of joint-holders deemed sole holder.

25. If any share stands in the names of two or more persons, the person first named in the Register of Members shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the other joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of share and for all incidents thereof according to the Company's regulations.

Company not bound to recognise any interest in share other than that of registered holder.

26. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust, equity, equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

Provision for Employees' Stock Option

27. (a) Subject to the provisions of section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and subject to the Articles of Association, the Board may, from time to time, create, offer and issue to or for the benefit of the Company's employees including the Executive Chairman, Vice-Chairman, the Managing Directors and the Whole time Directors such number of equity shares of the Company, in one or more tranches on such terms as may be determined by the Board prior to the issue and offer, in consultation with the authorities concerned and in accordance with such guidelines or other provisions of law as may be prevalent at that time but ranking pari passu with the existing equity shares of the Company.
- (b) The issue price of such shares shall be determined by the Board in accordance with the laws prevalent at the time of the issue.
- (c) In the alternative to equity shares, mentioned hereinabove, the Board may also issue bonds, equity warrants or other securities as may be permitted in law, from time to time. All such issues as above are to be made in pursuance of Employees' Stock Option (ESOP) scheme to be drawn up and approved by the Board.

CALLS

Directors may make calls.

28. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment by a resolution passed at a meeting of the Board in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Notice of calls.

29. Fourteen days' notice in writing of any call be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

Calls to date from resolution.

30. A call shall be deemed to have been made at the time when the resolution authorising such call is passed at a meeting of the Board.

Call may be revoked or postponed

31. A call may be revoked or postponed at the discretion of the Board.

Joint-holders, jointly and severally liable to pay calls

32. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Power of Board to extend time for payment of calls.

33. The Board may, from time to time at its discretion, extend the time fixed for the payment of any calls under Article 28.

Calls to carry interest.

34. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to time of actual payment at such rate as shall, from time to time, be fixed by the Board not exceeding 10 per cent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest or interest calculated at a lower rate from any such member.

Sums deemed to be calls.

35. Any sum, which by the terms of issue of a share becomes payable on allotment or on any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purpose of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Proof on trial of suit for money due on shares.

36. On the trial of or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any moneys claimed to be due to the Company in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered that the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that meeting at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture.

37. Neither receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of calls may carry interest.

38. (a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the members paying the sum in advance and the Board agree upon. The Board may at any time agree to repay any amounts so advanced or may at any time repay the same upon giving to the member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No member paying any such sum in advance shall be entitled to voting right in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) Subject to the provisions of the Act, the provisions of this article relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures of the Company.

LIEN

Company to have lien on shares.

39. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) / debentures registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures, and no equitable interest in any shares shall be created except upon the footing and upon the conditions that this Article shall have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Such lien on partly-paid shares shall be restricted to moneys called or payable at a fixed time in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

As to enforcing lien by sale.

40. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they shall think fit and for this purpose may cause to be issued duplicate certificate in respect of such shares and may authorise one of their members to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment fulfilment, or discharge of such debts, liabilities or engagement for fourteen days after such notice.

Application of proceeds of sale.

41. The net proceeds of any such sale be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

If money payable on share not paid notice to be given to members.

42. If any member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued by the Company by reason of such non-payment.

Form of notice.

43. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding 10 per cent per annum as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment before the time and at the place appointed the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

In default of payment, shares to be forfeited.

44. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture, provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

Notice of forfeiture to a member.

45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be property of the Company and may be sold, etc.

46. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed off, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Member still liable to pay money owing at the time of forfeiture and interest.

47. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding ten percent per annum as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

Effect of forfeiture.

48. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture.

49. A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Validity of sale under Articles 40 and 46.

50. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sales shall be in damages only and against the Company exclusively.

Cancellation of share certificates in respect of forfeited shares.

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate of shares originally issued in respect of the relative share shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Power to annul forfeiture

52. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

TRANSFER AND TRANSMISSION OF SHARES

Transfer or transmission of shares

53. In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

Register of Transfer

54. The Company shall keep a 'Register of Transfer' and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.

Form of transfer.

55. The Company shall use a common form of transfer.

Transfer form to be completed to and presented to the Company.

56. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act shall be duly complied with in respect of all transfer of shares and registration thereof. The instrument of transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered instrument of transfer shall remain in custody of the Company until destroyed by order of the Board. The transferor of shares shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a certificate or certificates the shares must have been delivered to the Company.

Restrictions on Rights to Transfer of Shares

57. The shares in the company shall be freely transferable but subject to the following restrictions:-

Subject to the provisions of the Act, these Articles and other applicable provisions of the applicable law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document

In the event the Promoters propose to sell or otherwise Transfer such number of Equity Shares of the Company, held by them directly or indirectly, which would result in the change in control of the Company ("**COC Shares**"), the Promoters, shall by a prior written notice in writing of 1 (one) business day, notify the Investor of the number of Equity Shares proposed to be transferred by the Promoters, and the terms and conditions of such Transfer, including the then prevailing price of the Transfer of the COC Shares, as per the stock exchanges on which the Equity Shares are traded, ("**Transfer Notice**"). Subsequent to the Transfer Notice, in the event the Promoters sell or otherwise transfer the COC Shares, then the Investor shall have the right to transfer such number of Equity Shares, in proportion to the COC Shares, on a pro rata basis, subject to applicable law ("**Investor Sold Shares**").

For the purposes of this Article 57 "change in control" shall mean the Promoters ceasing to hold at least (a) 51% of the equity share capital of the Company, on a fully diluted basis, for a period of 10 (ten) years from the 28th July, 2021 ("**Initial Tag-Along Period**"), and (b) 25% of the equity share capital of the Company, on a fully diluted basis, upon expiry of the Initial Tag-Along Period.

The Investor shall be always free and fully entitled to sell or otherwise transfer any or all of their Shares held in the Company to any person including independent third parties save and except that the Investor shall not transfer any Shares to any person who is a Competitor provided that the Investor may sell Shares on the floor of a recognized stock exchange to any Person save and except for any negotiated trade on the stock exchange with a Competitor and any such transfer shall be void. However the investor shall give a right of first refusal to the Promoters.

Dematerialisation of Securities

58. Company to recognise interest in dematerialised securities under Depositories Act.

- (i) The Company may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (ii) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities, dematerialise its securities held In the Depository and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.
- (iii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificate or to hold the security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee and the Beneficial Owner of the security.
- (iv) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.
- (v) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.
- (vi) Same as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (vii) Every person holding securities of the Company and whose name is entered as Beneficial Owner in the records of the Depository shall be deemed to be the member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits subject to all the liabilities in respect of his securities which are held by a Depository.
- (viii) Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the register of members as holders of any share or where the name appears as Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles, otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- (ix) Every Depository shall furnish to the Company about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
- (x) Upon receipt of certificate of securities of surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate

and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.

- (xi) If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
- (xii) Notwithstanding anything in the Act or these Articles to the contrary, these securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (xiii) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act.
- (xiv) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- (xv) The shares in the capital be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
- (xvi) The Company shall cause to be kept a Register and index of Members and a Register and index of Debenture holders in accordance with Section 88 of the Act respectively, and the Depositories Act, with details of shares and debentures held in material and dematerialised forms in any media as may be permitted by law including in any form of electronics media. The Register and index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to the Register and index of Members and Register and index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
- (xvii) The Company shall keep a Register of Transfer and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

Nomination of Securities

59. (a) In accordance with and subject to the provisions of Section 72 of the Act, every holder of shares in or holder of debentures of, a company may, at any time nominate, in the prescribed manner, a person to whom his shares in or debentures of the Company shall vest in the event of his death.
- (b) Where the shares in or debentures of, the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company or as the case may be, on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company or as the case may be, all the joint holders, in relation to such shares in or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

Notice of application when to be given.

60. Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56(3) of the Act.

Death of one or more joint-holders of securities.

61. Every holder of share(s) in and/or debenture(s) of the Company may at any time nominate in the manner prescribed under the Act a person to whom his share(s) in and/or debenture(s) of the Company shall vest in the event of his death.

Where the share(s) in and /or debenture of the Company, are held by more than the one person jointly, all the joint holders may together nominate in the manner prescribed under the Act a person to whom all the rights in the share(s) and/or debenture(s) of the Company, as the case may be shall vest in the event of death of all the joint holders.

Notwithstanding anything contained in any other law for the time being in force or in these Article or in any disposition, whether testamentary or otherwise, in respect of such share(s) in, and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act purports to confer on any person the right to vest the share(s) in and/or debenture(s) of the Company the nominee shall on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holder, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other person unless the nomination is varied cancelled in the manner prescribed under the Act.

Where the nominee is a minor the holder of the share(s) in and/or debenture(s) of the Company, can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the share(s) in and/or debentures(s) of the Company in the event of his death during the minority.

62. Notwithstanding anything contained in these Articles any person who became a nominee by virtue of the provision of Article 59 upon the production of such evidence as may be required by the Board and subject as hereinafter provided may elect either.
- a. To be registered himself as holder of the share(s) and/or debenture(s) as the case may be or
 - b. To make such transfer of the share(s) and/ or debenture(s) as the case may be as the deceased shareholder and debenture holder as the case may be could have made.

If the person being a nominee so becoming entitled elects to be registered as holder of the share(s) and/or debenture(s) himself he shall deliver or send to the Company, notice in writing duly signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder and/or debenture holder, as the case may be.

All the limitation restriction and provision of the Act relating to the right to transfer and the registration transfer of share(s) and/or debenture (s) shall be applicable to any such notice or transfer as aforesaid as if the death of the share holder/ debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder and/or debenture holder as the case may be.

63. A person, being nominee becoming entitled to the share(s) and/or debenture(s) by reason of the death of the shareholder shall be entitled to the same dividend and other advantage to which he would be entitled if he were the registered member in respect of his share(s) and/or debenture(s) except that he shall not, before being registered a member in respect of his share(s) or debenture(s) be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

Provided that the Board may, at any time give notice requiring any such person to elect either to be registered himself or to transfer the share(s) and/ or debenture(s) and if the notice is not complied with within ninety days, the Board may hereinafter withhold payment of all dividend bounces or other moneys payable in respect of the share(s) and/or debenture(s) until the requirement of the notice have been complied with.

No transfer to infant, etc.

64. No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

Registration of persons entitled to share otherwise than by transfer.

65. Subject to the provisions of the Act and Articles 59 and 61 any person becoming entitled to shares in consequences of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by transfer in accordance with these Articles may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

Persons entitled may receive dividend.

66. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may be given a discharge for, any dividends or other moneys payable in respect of the share.

Fee on transfer or transmission.

67. There shall be paid to the Company, in respect of the transfer or transmission of any number of shares to the same party, such fee, if any, as the Directors may require.

Company not liable for disregard of a notice prohibiting registration of a transfer.

68. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown on appearing in Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBER

Copies of Memorandum and Articles of Association to be sent by the Company.

69. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee one per page of the document requested for.

BORROWING POWERS

Powers to borrow.

70. Subject to the provision of Section 179 of the Act the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loan obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

Payment or repayment of moneys borrowed.

71. Subject to the provisions of Article 70 hereof, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Ordinary Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities may be made assignable from any equities between the Company and the person to whom the same may be issued.

Terms of issue of Debentures.

72. Any debenture, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a special resolution.

Register of Mortgages, etc. to be kept.

73. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 77 to 87 (both inclusive) of the act in that behalf to be duly complied with, so far as they are required to be complied with by the Board.

Register and Index of Debenture-holders.

74. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture-holders resident in that State or Country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Shares may be converted into stock.

75. The Company in General Meeting may convert any paid-up shares into stocks and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein or any part of such interest in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Right of stock-holders.

76. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and the profits of the Company and in the assets of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETINGS OF MEMBERS

Annual General Meeting—Annual Return.

77. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings, other than Annual General Meetings shall be called "Extraordinary General Meetings". The first Annual General Meeting shall be held within nine months after the expiry of the financial year in which the Company was established and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as

affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city in which the office of the Company is situate as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and the Register of Directors' share holdings which latter register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the annual return and financial statement and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.

Extraordinary General Meeting.

78. The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Requisition of Members to state object of meeting.

79. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

On receipt of requisition Directors to call meeting and in default requisitionists may do so.

80. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than forty five days from the date of deposit of the requisition, the requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 100(2) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

Meeting called by requisitionists.

81. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

Twenty one days' notice of meeting to be given.

82. At least Twenty-one days' notice of every General Meeting—Annual or Extraordinary — and by whomsoever called specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. However, any General Meeting may be convened by giving a shorter notice than 21 (twenty one) days with the consent of the Shareholders representing not less than 95% (ninety five percent) of the Members of the Company entitled to vote thereat, in case of Annual General Meeting and with the consent of the majority in number of the Members entitled to vote, representing not less than 95% (ninety five percent) of paid up capital of the Company in case of Extra ordinary General Meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, and in the case of any other meeting, in any event, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the

nature or interest if any, therein of every Director of the concern, and the Manager, (if any). Where any such item of special business relates to, or affects any other company, the extent of shareholding interest in other company of every Director, and the Manager if any, of the Company shall also be set out in the statement if the extent of such share-holding interest is not less than 20 per cent of the paid-up share capital of that other company. Where any item of business consists of according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Omission to give notice not to invalidate a resolution passed.

83. The accidental omission to give any such notice as aforesaid to any of the members or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

General Meeting not to transact business not mentioned in the notice.

84. No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business which has not been mentioned in the notice or notices upon which the meeting was convened.

Quorum at General Meeting.

85. The provisions relating to Quorum shall be governed by Section 103 of the Act.

If quorum not present meeting to be dissolved or adjourned.

86. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members, shall stand dissolved, but in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a national holiday until the next succeeding day which is not a national holiday at the same time and place or at such other time and place within the city town or village in which the Registered Office of the Company is situated as the Board may determine, and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the Members present shall be a quorum, and may transact the business for which the Meeting was called. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Chairman of General Meeting.

87. The Chairman of the Board shall be entitled to take the chair at every General Meeting whether Annual or Extra Ordinary. If the Chairman is unable or unwilling to take the chair or if he is not present within fifteen minutes of the time appointed for holding such meeting then the Vice Chairman shall be entitled to take the chair at such meeting. If there be no such Chairman and/or Vice Chairman if he/they are unable/unwilling to take the chair, or if he/they are not present within fifteen minutes of the time appointed for holding such meeting, then the Directors present shall elect another Director as Chairman, and if no Director is present, or if all the Directors present decline to take the chair, then the members present shall elect one of their number to be the Chairman.

Business confined to election of Chairman whilst Chair vacant.

88. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

Chairman with consent may adjourn meeting.

89. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Questions at General Meeting how decided

90. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy, and

holding shares in the Company, which confer a power to vote on the resolution not being less than one-tenths of the total voting power in respect of the Resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons making the demand, unless a poll is so demanded a declaration by the Chairman that a resolution has, on show of hands, been carried or carried unanimously or by a particular majority or lost; and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

Chairman's casting vote.

91. In the case of an equality of votes, the Chairman shall both on show hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.
92. If a poll is demanded as aforesaid the same shall subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situated and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Scrutineers at poll.

93. Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

In what case poll taken without adjournment.

94. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

Demand for poll not to prevent, transaction of other business.

95. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Passing of resolutions by postal ballot

96. Subject to the provisions of Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company may pass resolutions by way of postal ballot from time to time.

VOTES OF MEMBERS

Members in arrears not to vote.

97. No member shall be entitled to vote either personally or by proxy at any General Meeting or meetings of class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.

Number of votes to which Member entitled.

98. Subject to the Provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall

be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in Section 47 (2) of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affects the right attached to his preference shares.

Casting of votes by a member entitled to more than one vote.

99. On a poll taken at a meeting of the Company a member entitled to more than one vote, or his proxy or other persons entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

How Members of unsound mind and minor may vote.

100. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairman of the meeting.

Votes of joint-members.

101. If there be joint registered holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stand higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Voting in person or by proxy.

102. Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

Votes in respect of shares of deceased and insolvent Member.

103. Any person entitled under Article 63 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours atleast before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy.

104. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney or if such appointer is a corporate body under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

Proxy either for specified meeting or for a period.

105. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

Proxy to vote only on a poll.

106. A member present by proxy shall be entitled to vote only on a poll.

Deposit of instrument of appointment.

107. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or notarised/certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy.

108. Every instrument of proxy whether for a specified meeting or otherwise shall as nearly as circumstances will admit, be in the form as prescribed in the Act.

Validity of votes given by proxy notwithstanding death of member.

109. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.

Time for objections of votes.

110. No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of the meeting to be the judge of validity of any vote.

111. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

112. (a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. Minutes of General Meeting and inspection thereof by members.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- (f) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could necessarily be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (g) Any such minutes shall be evidence of the proceedings recorded therein.

- (h) The book containing the minutes of proceedings of General Meeting shall be kept at the office of the Company and shall be open during business hours, for such periods as the Directors may determine, for the inspection of any member without charge.

DIRECTORS

Number of Directors.

- 113. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of the Directors shall not be less than three nor more than fifteen.
- 114. Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any Senior Executive of the Company as a whole-time Director of the Company for such period and upon such terms and conditions as the Board may decide. A Senior Executive so appointed shall be governed by the following provisions:
 - (a) He shall be liable to retire by rotation as provided in Article 131 but shall be eligible for reappointment under Article 133. His reappointment as Director shall not constitute a break in his appointment as whole-time Director.
 - (b) He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation under Article 131.
 - (c) He shall cease to be Director of the Company on the happening of any event specified in Article 124 hereof. He shall cease to be a Director of the Company, if for any reason whatsoever, he ceases to hold the position of Senior Executive in the Company or ceases to be in the employment of the Company.
 - (d) His remuneration shall be fixed by the Board and shall be payable out of the funds of the Company subject to the provisions of the Act and approval of the Company in the General Meeting.
 - (e) He shall not be required to hold any qualification share for his appointment as a whole-time Director of the Company.
- 115. Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all/or any of such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole-time Directors.

Power to appoint ex-officio Directors.

- 116. Whenever Directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 161 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may fill any vacancy that may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment, remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

Debenture Directors.

- 117. If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may

exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

Appointment of Alternate Director.

118. The Board may appoint an Alternate Director to act for a Director (other than an Independent Director) (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director. No person shall be appointed as an Alternate Director in place of an Independent Director.

Directors' power to add to the Board.

119. Subject to the provisions of Sections 149, 152 and 161, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the limits fixed under Article 113. Any such additional Director shall hold office only up to the date of the next Annual General Meeting.

Directors' power to fill casual vacancies.

120. Subject to the provisions of Section 149, 152, 161, 165 and 169 the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Remuneration of Directors.

121. (a) Subject to the provisions of the Act, the Executive Chairman or a Managing Director or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- (b) Subject to the provisions of the Act, a Director other than the Executive Chairman or a Director in the whole-time employment or a Managing Director may be paid remuneration either:
- i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
 - ii) by way of commission if the Company by a special resolution authorised such payment.
- (c) The fee payable to a Director (excluding the Executive Chairman or a Managing or Whole time Director, if any) for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limit of such a fee that may be prescribed by the Central Government under the proviso to section 197(5) of the Companies Act, 2013.

Traveling expenses incurred by Director not a bonafide resident or by Director going out on Company's business.

122. The Board may allow and pay to any Director, who is not a bona-fide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's

business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

Directors may act notwithstanding any vacancy.

123. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is not reduced below the minimum number fixed by Article 113 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

When office of Directors to become vacant.

124. Subject to Sections 167 and 188 of the Act, the office of a Director shall become vacant if:
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (b) he applies to be adjudicated as an insolvent; or
 - (c) he is adjudged an insolvent; or
 - (d) he fails to pay any call made on him in respect of the shares held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
 - (e) he absents himself from all meetings of the Board of Directors held during a period of 12 months with or without leave of absence from the Board; or
 - (f) he becomes disqualified by an order of the Court; or
 - (g) he is removed in pursuance of Section 169; or
 - (h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private Company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Act; or
 - (i) he acts in contravention of Section 184 of the Act; or
 - (j) he is convicted by a Court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
 - (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the company; or
 - (l) he resigns his office by a notice in writing addressed to the Company in accordance with Section 168.

Related Party Contracts.

125. (a) Except with the consent of the Board of Directors given by a resolution at a meeting of the Board, the company shall not enter into any contract or arrangement with a related party with respect to:-
- i. Sale, purchases or supply of any goods or materials.
 - ii. Selling or otherwise disposing of, or buying, property of any kind,
 - iii. Leasing of property of any kind
 - iv. Availing or rendering of any services
 - v. Appointment of any agent for purchases or sale of goods, materials, services or property.

- vi. Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company and
 - vii. Underwriting the subscription of any securities or derivatives thereof, of the company.
- (b) It is provided all related party transactions entered into by the Company shall be in its ordinary course of business and at arms' length basis. The transactions shall be subject to noting, review and approval of the Audit Committee, if any, constituted by the Company under the Act.
- (c) Wherever required in accordance with the provisions of the Act and /or the rules made thereunder, the company shall obtain necessary approvals from the members at a general meeting.

Disclosure of interest.

126. A Director of the Company who is in any way—whether directly or indirectly—concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act, provided that it shall not be necessary for a director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

General Notice of Interest.

127. A general Notice given to the Board by the Director to the effect that he is a director or member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Interested Directors not to participate or vote in Board's proceedings.

128. No Director shall as a director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void, provided however, that nothing herein contained shall apply to:
- (a) any contract of indemnity against any loss which the Directors or anyone or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
 - (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;
 - (i) in his being:
 - a. a director of such company, and
 - b. the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the company; or
 - (ii) in his being a member holding not more than 2% of its paid-up share capital.

Register of contracts in which Directors are interested.

129. The Company shall keep a Register in accordance with Section 189 within the time specified therein enter in the said register such of the particulars as may be relevant having regard to the application thereto of Section 188 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies, corporate and firms of which notice has been given by him under Article 127. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

Directors may be directors of companies promoted by the Company.

130. A Director may be or become a Director of any company promoted by the Company or in which it may be interested as vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 197 (6) or Section 188 of the Act may be applicable.

Retirement by Rotation of Directors.

131. At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Debenture Directors, and Nominee Director (s), and the independent directors, if any, shall not be counted in determining the number of Directors liable to retire by rotation.

Determination of Directors retiring by rotation and filling of vacancies.

132. Subject to Section 149 read with section 152 (6) (a) of the Act, Directors to retire by rotation under Article 131 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election.

133. A retiring Director shall be eligible for re-election.

Provision in default of appointment.

134. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless:
- (i) at that meeting or at the previous meeting resolution for that reappointment of such Director has been put to the meeting and lost;
 - (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be re-appointed;
 - (iii) he is not qualified or he is disqualified for appointment;
 - (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
 - (v) the proviso to sub-section (2) of Section 162 of the Act is applicable to the case.

Company may increase or reduce the number of Directors.

135. Subject to Section 149 of the Act, the Company may by Special Resolution, from time to time, increase or reduce the number of Directors, and may, (subject to the provisions of Section 169 of the Act) remove any director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of Candidate for office of Director except in certain cases.

136. (a) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some members intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office along with a deposit of Rupees One Lakh which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.
- (b) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (c) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an Additional Director/Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Register of Directors etc and notification of change to Registrar.

137. The Company shall keep at its office a Register containing the particulars of its Directors, Managing Directors, Managers, and Key Managerial Personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respect.

Register of shares or debentures held by Directors.

138. The Company shall in respect of its Director also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

Disclosure by director of appointment to any other body corporate.

139. Every Director, Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 170 of the Act.

Disclosure by a Director of his holding of shares and debentures of the Company, etc.

140. Every Director and every person deemed to be a Director of the Company by virtue of Section 170 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

INDEPENDENT DIRECTORS

Appointment of Independent Directors

141. Pursuant to Section 149, the Company shall appoint at least as many number of independent directors as shall be required to be appointed pursuant to the rules prescribed by the Central Government and in accordance with the provisions of said section 149 and the rules so prescribed.

142. For the purpose of these present, an independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—
- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - (b)
 - (i) who is or was not a Promoter of the Company or its holding, subsidiary or associate company;
 - (ii) who is not related to Promoters or directors in the Company, its holding, subsidiary or associate Company;
 - (c) who has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - (e) who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the Company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the Company; or
 - (f) who possesses such other qualifications as may be prescribed.

Manner of Appointment of Independent Directors

143. The provisions relating to the manner of appointment of independent directors are as contained hereinafter:-
- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
 - (2) The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders.

- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the Company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

Term of Independent Director:

144. An independent director shall be appointed for a maximum period of two consecutive terms. Each such term shall be for a maximum of 5 years. Re-appointment for a second term shall be only by way of special resolution at the general meeting.

Remuneration of Independent Director:

145. An independent director may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members. However, an Independent Director shall not be entitled to any Stock Option.

Disclosure by Independent Director:

146. Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of Section 149.

Independent director shall not retire by rotation

147. The provisions relating to retirement by rotation of a director shall not apply to an independent director.

Vacancy of independent Director

148. Any vacancy in the office of independent director shall be filled by the Board of Directors within a period of not more than 180 days.

Separate meetings of Independent Director

149. There shall be at least one separate meeting of the independent directors during one financial year. The provisions relating to such separate meeting are as given below:-

- (1) The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the Company shall strive to be present at such meeting;
- (3) The meeting shall be:
 - (a) to review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non- executive directors;
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Duties of Independent Directors

150. The following shall be the duties of independent directors:-

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the Company;
- (6) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the Company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- (10) ascertain and ensure that whenever applicable, the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;

- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

MANAGEMENT

Board may appoint Executive Chairman and Managing Directors

151. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its members as Executive Chairman, Managing Director or Managing Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Executive Chairman, Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Executive Chairman, Managing Director or Managing Directors may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act. The Executive Chairman shall not be required to retire by Rotation under Article 132. Notwithstanding anything contained in this Article where no Executive Chairman is appointed as such, the Board of Director may elect, from time to time, any of its members, as Chairman who shall be subject to retirement by rotation. Subject to the provisions of the Act and of these Article, the Board shall have the power to nominate from time to time, any of its members as Vice-Chairman on such terms and conditions as the Board thinks fit. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Director” or “Deputy Managing Directors”, as the case may be, and accordingly the expression “Managing Director” shall also include and be deemed to include “Joint Managing Director” or “Deputy Managing Director” as the case may be.

Managing Directors and Whole-time Directors to report to Executive Chairman

152. The Managing Director or Managing Directors or Directors who are in the whole time employment in the Company shall subject to supervision and control of the Executive Chairman, exercise such powers as are vested in them by the Board

Restriction on management.

153. The Executive Chairman or Managing Director or Managing Directors shall not exercise the powers to:
- (a) make calls on shareholders in respect of money unpaid on the shares in the Company;
 - (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 179 of the Act shall also not exercise the powers to;
 - (c) borrow moneys otherwise than on debentures;
 - (d) invest the funds of the Company; and
 - (e) make loans.

Certain persons not to be appointed as Executive Chairman or Managing Director or Whole-time Director.

154. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Chairman or Managing or Whole-time Director who,
- (a) is an undischarged insolvent, or has any time been adjudged an insolvent;
 - (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them, or
 - (c) is, or has at any time, been, convicted by a Court of an offence involving moral turpitude.

CONSTITUTION, APPOINTMENT AND NOMINATION BY INVESTORS

155. The Board of Directors shall meet to appoint such individual/s as may be nominated by the Investor in accordance with this Agreement as director of the Company.
156. Such director(s) shall hereinafter be referred to as “Nominee Director(s)”. The Investor shall have the right to replace and/or remove its Nominee Director(s) at any time and from time to time. It is clarified that if the Investor does not propose any person for appointment as its Nominee Director(s) at any time then such an act of omission on the part of the Investor will not constitute as a Material Breach of the Agreement by the Promoters and/or the Company.
157. The Investor shall have the right to nominate such number of board members so as to proportionately represent the Investors shareholding, subject to a minimum of one Nominee Director on the Board of Directors of the Company.
158. However, in addition to the Investor’s right to propose appointment of Nominee Director(s) in the proportion as mentioned herein, as long as the Investor is holding shares exceeding 10% of the paid up share capital, but not exceeding 19.99% of the paid up share capital, the Investor shall also be entitled to propose a second person for appointment as Nominee Director (such director to be called ‘Second Nominee Director), for the sake of clarification it is stated that in any case the Investor shall not be entitled, under any circumstances, to nominate more than two persons for appointment as nominee directors on the Board of the Company.
159. However, if at any time, both the said nominee directors, as nominated by the Investor, are simultaneously present at any board meeting or a meeting of any committee of the Board, though both of them may be permitted to attend the said meeting but it is clarified that for the sake of counting the votes of the directors on any resolution placed before the Board or the Committee, as the case may be, only any one of such nominee directors shall be entitled to vote on any resolution of the board or the committee as the case may be. However, for any reason whatsoever, if both the nominee directors cast their vote on any such resolution then only one vote shall be counted as valid vote and the second vote shall be ignored while counting the votes.
160. It is also clarified for the avoidance of any doubt that any Director nominated by the Investor, excluding the person nominated as second nominee director as provided in Article 158 hereinabove, shall not be liable to retire by rotation. It is further clarified that the second nominee director nominated by the Investor as provided hereinabove shall be liable to retire by rotation as per the provisions of the Companies Act, 2013.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of Directors.

161. The Directors may meet together as a Board for the purpose of business from time to time, and atleast four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. The gap between two Board Meetings shall not exceed one hundred and twenty (120) days.
162. Every notice convening a meeting of the Board shall set out the agenda, in full and in sufficient detail, of the business to be resolved thereat and no item or business shall be resolved at such meeting, unless the same has been stated in full and in sufficient details in the said notice convening the meeting or unless consented by the Investor or by the Nominee Director.
163. The Board of Directors may if it considers necessary make arrangements for directors to attend and participate in a meeting of the Board or a committee thereof through video conferencing or other audio visual means in accordance with the provisions of sub section 2 of 173 of the Act. It is provided however that such meeting held through video conferencing or other audio visual means shall not transact businesses which under the rules prescribed under the Act are not permitted to be transacted through such meetings.

Notice of Meetings.

164. At least Seven days' notice of every meeting of the Board shall be given by the Secretary of the Company, if any, or by any person or persons nominated by the Executive Chairman, in writing to every Director at his usual address. Provided, however, that the Chairman of the Board shall have the powers to convene a meeting of the Board or to request the Secretary of the Company to convene a Meeting of the Board by giving a shorter notice. Such notice or shorter notice may be sent by email or hand delivery or post or by cable or telegram depending upon the circumstances. Any notice shorter than seven days shall be consented to by all the directors.

Quorum.

165. Subject to Section 174 of the Act, the Quorum for a meeting of the Board shall be one third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

Adjournment of meeting for want of quorum.

166. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

When meeting to be convened.

167. The Secretary shall as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every other Director.

Chairman

168. The Chairman of the Board shall be appointed by the Board by majority from time to time. In case the Chairman is unavailable, any Director may be appointed by the Board as the Chairman for that particular meeting to act as the Chairman of the Board.

Questions at Board Meetings how decided.

169. Questions arising at any meeting of the Board, shall be decided by a majority of vote and in the case of an equality of votes the Chairman shall have a second or a casting vote

Powers of Board Meeting.

170. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

Directors may appoint Committee.

171. Subject to the restriction contained in Section 179 of the Act the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
172. Subject to Applicable Law, the Investor shall have the right to nominate one nominee each on the Audit and Nomination and Remuneration Committee appointed by the Board, unless agreed otherwise.

Meeting of Committee how to be governed.

173. The meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Resolution by circulation.

174. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Secretary of the Company, if any, or by any person or persons nominated by the Executive Chairman, together with the necessary papers if any to all the Directors or to all the Members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

Acts of Board or Committee not valid notwithstanding informal appointment.

175. All acts done by any meeting of the Board or by a Committee of the board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as if every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated: provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of the Board meetings.

176. (a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- (b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting at any time before the next meeting or the Chairman of the next succeeding meeting at the next meeting.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) The minutes shall also contain:
- (i) The names of the Directors present physically or through electronic mode at the meeting; and
- (ii) In the case of each resolution passed at the meeting, the names of the Directors if any, dissenting from, or not concurring in the resolution.
- (g) Nothing contained in sub-clauses (a) to (f) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
- (i) is or could reasonably be regarded as defamatory of any person;
- (ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

Powers of Directors

177. The Board may exercise all such powers of the Company and do all such acts and things as are not by the Companies Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting accorded by an ordinary resolution.

(a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole of any such undertaking;

(b) remit, or give time for the repayment of, any debt due by a Director;

(c) invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation.

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose. Provided further that the powers specified in Section 179 of the Act shall subject to these Articles be exercised only at meeting of the Board unless the same be delegated to the extent therein stated; or

(e) Subject to section 181 of the Act, contribute to a bonafide charitable and other funds, any amounts the aggregate of which will, in any financial year exceed five percent of its average net profits for the three immediately preceding financial years

Certain powers of the Board.

178. (a) Without prejudice to the general powers conferred by the preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say power to adopt all preliminary contracts, if any, entered into by the promoters either by entering into a contract or with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate person or company for services rendered or to be rendered for the formation or promotion of the Company or for the acquisition of any property, licence, trademarks, copyrights, letter of intent, allotments, know how or similar thing by the Company.

(b) Without prejudice to the generality of the foregoing, upon the adoption of preliminary contracts, if any, entered into by and between the promoters and any other persons, the Board shall have power in its absolute discretion to issue and allot fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or such other Securities or partly by one and partly by other, in any combination, in one or more tranches may be thought fit by the Board, for consideration in cash or otherwise than in cash to the Promoters or to any other person in terms of the agreement that may be entered into between the Company and the Promoters or to any other person including.

- (i) To pay cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (ii) To enter into contracts for the acquisition of fixed assets, net current assets, selling rights etc and to enter into non-compete agreements with any other person, firm or company on behalf of the Company by way of ratification or substitution and to remunerate person or company for services rendered or to be rendered or for the acquisition of any property, licence, trademarks, letter of intent, allotments, know how or similar thing by the Company and for the purpose to pay for such consideration as may arise therefrom by issue of fully paid Equity or Preference Shares of the Company or by issue of Fully and/or Partly paid Convertible / Non-Convertible Debentures or partly by one and partly by other, in any combination, in one or more tranches as the Board may deem fit.
- (iii) To pay and charge to the capital account of the Company any commission or brokerage lawfully payable thereon under the provisions of the Act.
- (iv) Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (v) At their discretion and subject to provision of the Act to pay for any property, rights, or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (vi) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (vii) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (viii) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- (ix) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and or any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (x) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- (xi) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (xii) Subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

- (xiii) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit, of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (xiv) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give them necessary authority for such purpose.
- (xv) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
- (xvi) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or any connection of such persons, by building or contributing to the building of houses, dwellings, or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments or by creating, and from time to time subscribing or contributing to provident fund and other associations, institutions, funds, trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospital and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee to charitable, benevolent, religious, scientific, national or institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.
- (xvii) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debenture or debenture-stock or for special dividends or for equalising dividends or for repairing, improving, extending, and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 179 of the Act, invest the several sums to set aside for so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or Division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debenture or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine percent per annum.
- (xviii) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of

the affairs of the Company in any specified localities in India or elsewhere in such manner as they think fit and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

- (xix) To comply with the requirements of any local law which in their opinion shall be in the interests of the Company necessary or expedient to comply with.
- (xx) From time to time and at any time to establish any local Board for managing any of the affairs of the company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards, and to fix their remuneration.
- (xxi) Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorise the Members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (xxii) At any time and from time to time by power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in/or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits, authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees, or managers of any company or firms or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretion for the time being vested in them.
- (xxiii) Subject to Section 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (xxiv) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company its officers and servants.

Power of the Board and / or the members in case of Fundamental Issues

179. With respect to any Fundamental Issue, unless agreed otherwise, the members or the directors, as the case may be, before proceeding with the matter, shall require the affirmative vote of the Investor or their nominee at any meeting of the Board or the members or the committee (as the case may be), provided however that the Investor or their nominee shall be deemed to have indicated the consent so required in the event of failure of the Investor to convey the consent or the dissent within a period of 15 days from the date of receipt of intimation from the Company. The Board of Directors shall not be required to seek an affirmative vote from the Investor or their nominee in case of a Fundamental Issue in which the Investor is in any way directly or indirectly interested or concerned in the proposed arrangement within the meaning of Section 184 of the Companies Act, 2013

Key Managerial Personnel in addition to Managing and Whole Time Directors

180. Subject to the provisions of the Act, a Chief Executive Officer (CEO), Manager, Company Secretary or a Chief Financial Officer (CFO) may be appointed by the Board for such terms, at such remuneration and upon such conditions as it may think fit and any CEO, Manager, Company Secretary or CFO so appointed may be removed only by means of a Board Resolution.
181. The Company shall not at the same time appoint or employ a Managing Director and Manager.

THE COMPANY SECRETARY

Company Secretary.

182. Subject to the provisions of Section 205 of the Act, the Board of Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called 'the Company Secretary') who shall have such qualifications as prescribed under the Act and his functions shall include:-
- a. To report to the Board about compliance with the provisions of the Act, the rules made thereunder and other laws applicable to the Company and for this purpose the Board shall provide for a Compliance Management System to enable the Secretary to monitor and report on the compliances;
 - b. To ensure that the Company complies with the applicable secretarial standards
 - c. Such other functions and duties as may be required to be performed by the said Company Secretary as the Board may decide by a resolution or as may be prescribed under the various provisions of the Act from time to time.

THE SEAL

The seal, its custody and use.

183. (a) The Board may provide a Common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu of the same, and may provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an official seal for use in any territory, district or place outside India.

Deeds how executed.

184. Every Deed or other instrument, to which the seal of the Company, if any, is required to be affixed to satisfy the requirements of law or any contractual requirement, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose.

DIVIDENDS

Division of profits.

185. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members, in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

The Company in General Meeting may declare a dividend.

186. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Dividends only to be paid out of profits.

187. No dividends shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that:
- (a) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years;
 - (b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 123 of the Act or against both.

Interim dividend.

188. The Board may from time to time, pay to the Members such interim dividends as in their judgement the position of the Company justifies.

Capital paid up in advance to interest but not to earn dividend.

189. Where Capital is paid in advance of calls such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

Dividends in proportion to amount paid-up.

190. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

Retention of dividends until completion of transfer under Article 63.

191. The Board may retain the dividends payable upon shares in respect of which any person is, under Article 63 entitled to become a Member or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

Dividend etc. to joint-holders.

192. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

No member to receive dividend whilst indebted to the Company, and Company's right of reimbursement thereat.

193. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any moneys may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sums of moneys so due from him to the Company.

Right to Dividend, rights shares and bonus shares to be held in abeyance pending registration of transfer of shares.

194. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the company, it shall.

- (a) transfer the dividend in relation to such shares to the special account referred to in Section 126 of the Act, unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
- (b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of subsection (1) of Section 62 and any issue of fully paid up bonus shares in pursuance of first proviso to sub-section (5) of Section 123 of the Act.

Dividends how remitted.

195. Unless otherwise directed any dividend may be paid by National Electronic Funds Transfer / Real Time Gross Settlement (NEFT / RTGS) or cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Unclaimed dividend

196. No unclaimed dividend shall be forfeited and the same shall be dealt with in accordance with the provisions of Section 124, 125 and 126 or other provisions, if any, of the Act as may be applicable, from time to time. Pursuant to section 124, where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Metro Brands Limited Unpaid Dividend Account". Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the fund known as Investor Education and Protection Fund established under section 125 of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board.

No interest on dividends.

197. No unpaid dividend shall bear interest as against the Company.

Dividend and call together.

198. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and the member, be set off against the calls.

Capitalisation.

199. (a) The Company in General Meeting may by a special resolution resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Account or Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Shares Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised value or sum or fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium account and a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.

- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company not subject to charge may be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs. 10/- may be disregarded in order to adjust the rights of all parties and may vest any such cash or the specific assets in trustees upon such trusts for the person entitled to the dividends or capitalised funds as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

Directors to keep true accounts.

200. The Company shall keep at the Office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 128 of the Act with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.

Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. The Company shall preserve in good order the Books of Accounts relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Accounts. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Accounts relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid. The Books of Accounts shall give a true and fair view of the state of the affairs of the Company or

branch office, as the case may be and explain its transactions. The Books of Accounts and other books and papers shall be open to inspection by any Director during business hours.

As to inspections of accounts or books by Members.

201. The Board shall from time to time determine whether and to what extent and what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

Statement of Accounts to be furnished to General Meeting.

202. The Directors shall from time to time, in accordance with Sections 129, 130, 131 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profit and Loss Accounts, Cash Flow Statement and Reports as are required by these Sections.

Copies shall be sent to each Member.

203. A printed copy of every Balance Sheet (including every document required by law to be annexed or attached thereto) which is to be laid before the Company in Annual General Meeting together with a copy of the Auditors' Report or a statement containing salient feature of such documents in the prescribed form, as laid down under Section 136 of the Act as the Company may deem fit, shall not less than twenty one days before the date of the Meeting, be sent to every person entitled thereto pursuant to the provisions of the said Section.
204. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in general meeting shall be conclusive except as regards any matters in respect of which modifications may from time to time be considered proper by the Board of Directors and approved by the shareholders at a general meeting.

Auditors

205. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act.

CORPORATE SOCIAL RESPONSIBILITY

206. The Company shall constitute a Corporate Social Responsibility Committee (CSR) Committee consisting of three or more directors, out of which at least one director shall be an independent director.
207. The Board shall consider the recommendations made by the CSR committee and after approving the CSR Policy, disclose the consents of such policy in its report and also place it on the Company's website.
208. The Board shall ensure that the activities as are included in CSR policy of the Company are undertaken by the Company.

DOCUMENTS AND NOTICES

Service of documents or notices on Members by Company.

209. (a) A document or notice may be served or given by the Company on any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any in India supplied by him to the Company for serving documents or notice on him. Simultaneously, with the despatch of the notice or documents as the case may be, confirmation of the same shall be forwarded to all those members of the Company who may be outside India.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the company in advance that documents and notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so; service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and, such service shall be deemed to have been effected in the case of a Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

By advertisement

210. A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notice to him.

On joint holders.

211. A document or notice may be served or given by the Company on or to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holder named first in the Register of the Members in respect of the share.

On personal representatives etc.

212. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title or representatives of the deceased, or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose but the persons claiming to be entitled or until such an address has been so supplied by serving the document, or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

To whom documents or notice must be served or given.

213. Documents or notices of every General Meeting shall be served or given in some manner herein before authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.

Members bound by documents or notices served on or given to previous holders.

214. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice by Company and signature thereto.

215. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.

Service of document or notice by Member.

216. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by leaving it at the office.

WINDING UP

Liquidator may divide assets in specie.

217. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may with the sanction of a Special Resolution, but subject to the rights attached to any preference shares capital, divide among the contributors in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributors as the liquidator, with the like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right of indemnity.

218. Every officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act, in which relief is granted to him by the Court.

SECURITY CLAUSE

Secrecy Clause.

219. (a) Every Director, Manager Company Secretary, Chief Financial Officer, Auditor, Treasurer, member of a Committee, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No members shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret mystery of trade, secret process of any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

GENERAL POWER

220. Wherever in the Companies Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

SCHEDULE 1 TO THE ARTICLE OF ASSOCIATION
PROMOTER AND PROMOTER GROUP SHAREHOLDERS

Promoters
Rafique A. Malik
Farah Malik Bhanji
Rafique Malik Family Trust
Aziza Malik Family Trust
Alisha Rafique Malik
Promoter Group
Aziza R. Malik
Zarah Rafique Malik
Zia Malik Lalji
Sabina Malik Hadi
Rukshana Javeri.
Zarah Malik Family Trust
Farah Malik Family Trust
Zia Malik Family Trust
Sabina Malik Family Trust

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts, which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be, deemed material, were attached to the copy of the Red Herring Prospectus and will be attached to this Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents and contracts, and also the documents for inspection referred to hereunder, could be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and was available at <https://metrobrands.com/corporate-governance/> from date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

1. Offer Agreement dated August 20, 2021 between our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated August 19, 2021 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Monitoring Agency Agreement dated December 1, 2021 entered into between our Company and the Monitoring Agency.
4. Cash Escrow and Sponsor Bank Agreement dated December 1, 2021 between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank, Public Offer Bank and the Refund Bank(s).
5. Share Escrow Agreement dated November 29, 2021 between our Company, the Selling Shareholders and the Share Escrow Agent.
6. Syndicate Agreement dated December 1, 2021 between our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.
7. Underwriting Agreement dated December 15, 2021 between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the MoA and AoA of our Company, as amended.
2. Certificate of incorporation dated January 19, 1977, fresh certificate of incorporation dated May 14, 2007 consequent to conversion into a public company, fresh certificate of incorporation dated September 6, 2018 pursuant to change of name.
3. Resolution of the Board and Shareholders dated March 25, 2021 and March 30, 2021, respectively, in relation to the Offer and other related matters.
4. Resolution of our Board dated August 19, 2021 and resolution of the IPO Committee dated August 20, 2021 approving the DRHP.
5. Subscription and Shareholders Agreement dated January 18, 2007 entered into between Rafique A. Malik, Aziza Rafique Malik, Rakesh R. Jhunjunwala and our Company read with the letter dated March 12, 2007 from Rakesh R. Jhunjunwala to our Company.

6. Supplementary Subscription and Shareholders Agreement dated October 15, 2015 entered into between Rafique A. Malik, Aziza Rafique Malik, Zarah Rafique A. Malik, Farah Malik Bhanji, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik, Rukshana Javeri, Rakesh R. Jhunjhunwala and our Company
7. Deed of adherence dated December 18, 2017 entered into between Rafique Malik, Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust, Sabina Malik Family Trust, Aziza Rafique Malik, Zarah Rafique Malik, Farah Malik Bhanji, Rafique Malik Family Trust, Aziza Malik Family Trust, Zia Malik Lalji, Sabina Malik Hadi, Alisha Rafique Malik, Rukshana Javeri, Rekha Rakesh Jhunjhunwala, Aryavir Jhunjhunwala Discretionary Trust, Aryaman Jhunjhunwala Discretionary Trust, Nishtha Jhunjhunwala Discretionary Trust and our Company.
8. Subscription and Shareholders' Amendment Agreement dated July 28, 2021 entered into between Rafique A. Malik, Farah Malik Bhanji, Rafique Malik Family Trust, Aziza Malik Family Trust, Alisha Rafique Malik, Aziza R. Malik, Zarah Rafique Malik, Zia Malik Lalji, Sabina Malik Hadi, Rukshana Javeri, Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust, Sabina Malik Family Trust, Rakesh R. Jhunjhunwala, Rekha Rakesh Jhunjhunwala, Aryavir Jhunjhunwala Discretionary Trust, Aryaman Jhunjhunwala Discretionary Trust, Nishtha Jhunjhunwala Discretionary Trust and our Company.
9. Shareholders' agreement dated August 10, 2009 between our Company and Sunil Shah in his capacity as partner of M/s Millennium Marketing and letter of amendment dated September 4, 2014 between our Company and Sunil Shah.
10. Board resolution dated March 9, 2017 for appointment of Farah Malik Bhanji and Board resolution dated November 26, 2020 for appointment of Mohammed Iqbal.
11. Joint venture and share subscription and purchase agreement dated August 24, 2016 between M.V. Shoe Care Private Limited, our Company and certain shareholders of our Joint Venture, namely Ketan Vyas and Archana Vyas.
12. Deed of assignment dated February 20, 2007 executed between M/s. Metro Shoes (a sole proprietary concern of Rafique A. Malik) and our Company.
13. Deed of assignment dated February 24, 2014 executed between M/s. Metro Shoes (a sole proprietary concern of Rafique A. Malik) and our Company.
14. Copies of the annual reports of our Company for the Financial Years 2021, 2020 and 2019.
15. The examination report of the Statutory Auditor dated November 10, 2021, on our Restated Consolidated Financial Information, included in this Prospectus along with the Restated Consolidated Financial Information.
16. The statement of special tax benefits dated December 15, 2021 issued by the Statutory Auditors.
17. Written consent of the Directors, Company Secretary and Compliance Officer, the BRLMs, the Syndicate Members, Legal Counsel to our Company and Selling Shareholders as to Indian law, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the BRLMs, lenders to our Company, Registrar to the Offer, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Bank, Bankers to our Company, CRISIL, as referred to in their specific capacities.
18. Written consent dated December 15, 2021 from Deloitte Haskins & Sells, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of (i) their examination report dated November 10, 2021 relating to the Restated Consolidated Financial Information; and (ii) their statement of special tax benefits dated December 15, 2021 in this Prospectus; and such consent has not been withdrawn as on the date of this Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

19. Written consent dated November 26, 2021, from Rajiv Parekh, Architect, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013, in respect of the proposal issued, and such consent has not been withdrawn as on the date of this Prospectus.
20. CRISIL Report dated August 2021, titled “*Assessment of organised retail and footwear industries in India*” along with the addendum dated November 2021.
21. Consent letters from the Selling Shareholders, authorising their participation in the Offer.
22. Due diligence certificate dated August 20, 2021, addressed to SEBI from the BRLMs.
23. In – principle approvals dated September 2, 2021 and September 3, 2021 issued by BSE and NSE, respectively.
24. Tripartite agreement dated May 30, 2007 between our Company, NSDL and the Registrar to the Company.
25. Tripartite agreement dated June 5, 2007 between our Company, CDSL and the Registrar to the Company.
26. SEBI observation letter bearing reference number SEBI/HO/OW/P/33997/2021 and dated November 24, 2021.
27. Resolution of our Board dated December 2, 2021 approving the RHP.
28. Resolution of our Board dated December 15, 2021 approving this Prospectus.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Rafique A. Malik
Chairman

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Farah Malik Bhanji
Managing Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mohammed Iqbal Hassanally Dossani
Whole – time Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Utpal Hemendra Seth
Non – executive Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Manoj Kumar Maheshwari
Independent Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Aruna Bhagwan Advani
Independent Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Arvind Kumar Singhal
Independent Director

Place: Gurgaon

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vikas Vijaykumar Khemani
Independent Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines / regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Srikanth Velamkanni
Independent Director

Place: Mumbai

Date: December 15, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines/regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER

Kaushal Khodidas Parekh

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I, Farah Malik Bhanji, jointly with Rafique A. Malik, as Promoter Selling Shareholders, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Selling Shareholders, and our portion of the Offered Shares, are true and correct. We assume no responsibility as Promoter Selling Shareholders for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDERS

Farah Malik Bhanji

Place: Mumbai

Date: December 15, 2021

Rafique A. Malik

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I, Alisha Rafique Malik, jointly with Rafique A. Malik, as Promoter Selling Shareholders, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Selling Shareholders, and our portion of the Offered Shares, are true and correct. We assume no responsibility as Promoter Selling Shareholders for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDERS

Alisha Rafique Malik

Place: Mumbai

Date: December 15, 2021

Rafique A. Malik

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER SELLING SHAREHOLDER

We, Rafique Malik Family Trust (acting through our trustee Farah Malik Bhanji), as a Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Selling Shareholder, and our portion of the Offered Shares, are true and correct. We assume no responsibility as a Promoter Selling Shareholder for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF THE PROMOTER SELLING SHAREHOLDER

Authorised Signatory

Name: Farah Malik Bhanji

Designation: Trustee

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER SELLING SHAREHOLDER

We, Aziza Malik Family Trust (acting through our trustee Farah Malik Bhanji), as a Promoter Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Selling Shareholder, and our portion of the Offered Shares, are true and correct. We assume no responsibility as a Promoter Selling Shareholder for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF THE PROMOTER SELLING SHAREHOLDER

Authorised Signatory

Name: Farah Malik Bhanji

Designation: Trustee

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER GROUP SELLING SHAREHOLDERS

I, Zarah Rafique Malik, jointly with Rafique A. Malik, as Promoter Group Selling Shareholders, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Group Selling Shareholders, and our portion of the Offered Shares, are true and correct. We assume no responsibility as Promoter Group Selling Shareholders for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDERS

Zarah Rafique Malik

Place: Mumbai

Date: December 15, 2021

Rafique A. Malik

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER GROUP SELLING SHAREHOLDERS

I, Zia Malik Lalji, jointly with Rafique A. Malik, as Promoter Group Selling Shareholders, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Group Selling Shareholders, and our portion of the Offered Shares, are true and correct. We assume no responsibility as Promoter Group Selling Shareholders for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDERS

Zia Malik Lalji

Place: Mumbai

Date: December 15, 2021

Rafique A. Malik

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE PROMOTER GROUP SELLING SHAREHOLDERS

I, Sabina Malik Hadi, jointly with Rafique A. Malik, as Promoter Group Selling Shareholders, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by us in this Prospectus about or in relation to ourselves, as the Promoter Group Selling Shareholders, and our portion of the Offered Shares, are true and correct. We assume no responsibility as Promoter Group Selling Shareholders for any other statements, disclosures, and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED BY THE PROMOTER GROUP SELLING SHAREHOLDERS

Sabina Malik Hadi

Place: Mumbai

Date: December 15, 2021

Rafique A. Malik

Place: Mumbai

Date: December 15, 2021

DECLARATION BY THE OTHER SELLING SHAREHOLDER

I, Rakesh Hridaynarayan Pathak, the Other Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by me in this Prospectus about or in relation to myself, as the Other Selling Shareholder and my portion of the Offered Shares, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including any statements made or confirmed by, or relating to, the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF THE OTHER SELLING SHAREHOLDER BY THEIR DULY CONSTITUTED ATTORNEY HOLDER

Name: Mohammed Iqbal Hasanally Dossani

Designation: Constituted Power of Attorney Holder

Place: Mumbai

Date: December 15, 2021