Arvind FASHIONS

CRAFTING THE FUTURE OF FASHION

A SYMPHONY OF BRAND EXCELLENCE AND INNOVATION.

2024

INTEGRATED ANNUAL REPORT

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ABOUT OUR REPORT

We proudly present our first Annual Integrated Report. This Report tells you more about our Company and aims to demonstrate how we drive holistic value creation. We have also captured information about the external operating environment, our business strategy, and our governance practices.

REPORTING PERIOD AND SCOPE

The quantitative and qualitative disclosures in this Report are for the financial year April 1, 2023 to March 31, 2024. The Report contains information concerning the operations of Arvind Fashions Limited as well as its subsidiaries and joint ventures, unless explicitly stated otherwise.

STANDARDS AND FRAMEWORKS

This Report has been prepared in accordance with the Companies Act, 2013 (and the Rules made thereunder), the Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards issued by the Institute of Company Secretaries of India. The non-financial section of the Report has been compiled following the principles suggested by the International Integrated Reporting Council (IIRC).

FORWARD-LOOKING STATEMENTS

This Report may include statements projecting our Company's future financial standing, operational outcomes, strategic plans, and growth projections, generally marked by forward-looking terminology such as "believe", "plan", "anticipate", "continue", "estimate", "expect", "may", "will", among others. Such forward-looking statements reflect current views and are based on management beliefs, plans, estimates and expectations based on currently available information. We caution that the actual results, performances, or accomplishments may significantly deviate from those projected in these forward-looking statements. We do not commit to update or revise any forward-looking statements, irrespective of any new information, future events, or other circumstances.

FEEDBACK

We continue to engage with all stakeholders to ensure that we improve our external integrated reporting. For more information about this Report or to provide feedback, please write to us at investor.relations@arvindfashions.com

Website: www.arvindfashions.com

Download the digital version of this Report

www.arvindfashions.com

CRAFTING THE FUTURE OF FASHION

A SYMPHONY OF BRAND EXCELLENCE AND INNOVATION

AT ARVIND FASHIONS, WE ARE NOT JUST LOOKING AT THE FUTURE – WE ARE SHAPING IT.

As the India story unfolds, rising discretionary incomes, an expanding base of digitally savvy consumers, and the growing influence of Tier 2 and Tier 3 cities are increasing the demand for premium products like never before. Embracing this shift and keeping our customers at the heart of all we do, we are scaling up our prestigious brands and harnessing the power of innovation.

Premiumisation, through launching superior quality products aligned with global trends, remains the core theme across all our brands to exceed consumer expectations. We are also broadening our horizons by expanding into adjacent categories, meeting the growing desire for premium products across all lines.

Expanding our retail footprint is a key priority, focussing on untapped markets to enhance brand accessibility. In this digital era, along with our online presence, we are also ensuring that our exclusive brand outlets serve as technology-enabled omnichannel stores, creating a cohesive shopping experience.

Our innovative retail formats have struck a chord with consumers, and we are poised to roll out these successful concepts across new geographies. Our sustained advertising and marketing efforts ensure our brands resonate deeply, maintaining high visibility and engagement.

Arvind Fashions is more than a lifestyle company; we are a powerhouse that has redefined retail and fashion in India. With a symphony of brand excellence and innovation driving us, we are dedicated to crafting the future of fashion, one premium piece at a time.

COMPANY PROFILE

LED BY OUR EXTENSIVE RETAILING EXPERIENCE AND STRONG BRAND EQUITY, WE ARE REDEFINING THE FUTURE OF FASHION IN INDIA.

ABOUT US

Arvind Fashions Limited is one of India's foremost lifestyle companies, with a strong portfolio of renowned fashion brands. We have achieved leadership status in the casual and denim segment by catering to the fashion aspirations of the entire family.

We excel in designing, sourcing, marketing, and retailing a wide range of products across various categories, age groups, and market segments. Our brands have a significant presence in multiple store formats and on e-commerce platforms, ensuring accessibility and convenience for our customers.

Our dominance in the fashion industry is supported by a competent warehousing and distribution system, along with cutting-edge technology that seamlessly integrates our operations from start to finish. These robust capabilities enable us to meet the highest standards of efficiency and customer satisfaction.

BRAND PORTFOLIO (LICENSED AND IN-HOUSE)

U.S. POLO ASSN. SINCE 1890 | TOMMY HILFIGER | ARROW USA 1851 | Calvin Klein | FLYING MACHINE

PRODUCT CATEGORIES

- Apparel
- Footwear
- Kidswear
- Womenswear
- Innerwear
- Other accessories

KEY NUMBERS

30+ Years of retail experience

5 Marquee brands

16+ million products sourced every season

931 EBOs count comprising ~10.72 Lakh sq. ft.

9,000+ MBOs and Shop in shops across department stores

7 Warehouses

100+ Suppliers

450+ Cities and Towns

6,400+ Employees

₹4,259 crore Revenue for FY 2024 (4.7% year-on-year)

₹544 crore EBITDA for FY 2024 (15% year-on-year)

₹170 crore Profit Before Tax for FY 2024 (14% year-on-year)

40%+ Energy consumed from renewable sources

COMPANY PROFILE

OUR BRANDS

ALL OUR BRANDS ARE CONNECTED

BY THE COMMON THREAD OF MAKING GREAT FASHION AND INNOVATIVE DESIGNS AVAILABLE TO EVERY MEMBER OF THE FAMILY.

U.S. POLO ASSN.
SINCE 1890

U.S. POLO ASSOCIATION

Launched in India in 2009	Positioning: Mid-premium casualwear brand	Categories: Men's wear, women's wear, kids' wear, innerwear, footwear and accessories

U.S. Polo Association is the authentic and official brand of the United States Polo Association, the governing body for the sport of polo in the United States since 1890. USPA captures the authenticity of the sport, while embracing the genuine spirit known throughout the world as Classic American Style. In India, USPA is among the leading casual wear brands with a strong multi-category and multi-channel play.

351* stores
Retail Footprint

151*
Cities

1,200 sq. ft.
Average Store Size for EBOs

₹799-4,999
Approx. Consumer Selling Price Range (Apparel)

www.uspoloassn.in
www.NNNOW.com
and various third-party e-commerce sites

*Does not include the multi-brand retail stores and their respective city presence

TOMMY HILFIGER

TOMMY HILFIGER

Launched in India in 2004	Positioning: Premium lifestyle brand for men, women and children	Categories: Men's wear, women's wear, kids' wear, denim, innerwear, accessories, and footwear

Tommy Hilfiger is one of the world's leading designer lifestyle brands and is internationally recognised for celebrating the essence of classic American cool style, featuring preppy with twist designs. Founded in 1985, Tommy Hilfiger delivers premium styling, quality and value to customers with a breadth of collections including men's, women's and children's sportswear, denim, accessories and footwear.

95* stores
Retail Footprint

38*
Cities

1,400 sq. ft.
Average Store Size for EBOs

₹1,999-18,999
Approx. Consumer Selling Price Range (Apparel)

www.NNNOW.com
and various third-party e-commerce sites

*Does not include the multi-brand retail stores and their respective city presence

ARROW
USA·1851

ARROW

Launched in India in 1993

Positioning: Premium formal wear brand for men

Offerings: Formal wear, fashionable formals and smart casual wear

A well-known international menswear brand, Arrow has been instrumental in shaping menswear since 1851. Arrow has always been a preferred brand for Indian professionals due to its rich heritage value, impeccable style, and strong sense of innovation. The brand's main goal is to cater to the ever-changing sartorial needs of India's working men and to introduce exciting innovations for the modern Indian professional wardrobe.

190* stores
Retail Footprint

94*
Cities

1,100 sq. ft.
Average Store Size for EBOs

₹1,499-15,999
Approx. Consumer Selling Price Range (Apparel)

www.NNNOW.com
and various third-party e-commerce sites

*Does not include the multi-brand retail stores and their respective city presence

Calvin Klein

CALVIN KLEIN

Launched in India in 2015	Positioning: Super premium brand for men and women	Categories: Men's wear, women's wear, kids' wear, innerwear, and accessories

Calvin Klein is a global lifestyle brand that exemplifies bold, progressive ideals and striking designs. Founded in 1968 by Calvin Klein and his business partner Barry Schwartz, the brand has built a reputation as a leader in American fashion through its clean aesthetic and innovative designs. Calvin Klein was acquired by PVH Corp. in 2003. In India, Calvin Klein commands leadership in the luxury jeans, t-shirts, and innerwear segment.

77* stores
Retail Footprint

33*
Cities

1,000 sq. ft.
Average Store Size for EBOs

₹1,599-14,999
Approx. Consumer Selling Price Range (Apparel)

www.NNNOW.com
and various third-party e-commerce sites

*Does not include the multi-brand retail stores and their respective city presence

FLYING MACHINE

Launched in India in 1980

Positioning: Mid-premium youth-oriented brand

Categories: Men's wear, kids' wear, innerwear, footwear, and accessories

Flying Machine is India's first homegrown denim brand and one of the coolest youth apparel brands in the country. Driven to innovate, Flying Machine continues to experiment and push boundaries, much like today's millennials. The brand chooses to be a trendsetter rather than a fad-follower and this attitude is reflected in each and every one of its products.

154* stores
Retail Footprint

112*
Cities

750 sq. ft.
Average Store Size for EBOs

₹499-3,999
Approx. Consumer Selling Price Range (Apparel)

www.NNNOW.com
and various third-party e-commerce sites

*Does not include the multi-brand retail stores and their respective city presence

COMPANY PROFILE

OUR STRENGTHS

OUR CORE COMPETENCIES UNIQUELY POSITION US TO CURATE COLLECTIONS THAT RESONATE WITH CUSTOMER PREFERENCES, EXPAND THE SCALE OF OUR BRANDS, AND REINFORCE OUR STANDING WITHIN INDIA'S FASHION INDUSTRY.

STRONG BRAND PORTFOLIO

We have a unique portfolio of iconic international and indigenous brands, each a market leader in its respective segment. Renowned for their exceptional quality and style, these brands have garnered strong response and loyalty from customers. By spanning across various price points, catering to diverse customer preferences and having a multi-category play, our brands enable us to expand our addressable market effectively.

India boasts one of the largest and youngest workforces in the world. This favourable demographic trend, coupled with the growing preference for casual attire, presents a significant opportunity for the continued growth and success of our brand portfolio and the Company.

ROBUST DESIGN AND SOURCING CAPABILITIES

Staying attuned to international fashion trends, we drive innovation and new product development, enabling us to offer trend-led fashion at highly competitive prices. Our products are primarily designed in-house by a dedicated team of designers who leverage their expertise in fashion trends, design proficiency, fabric selection, and technical specifications to create products that meet and exceed customer expectations. The sourcing team plays a pivotal role by providing crucial product innovation and technical guidance.

Our designers also collaborate with design-to-delivery vendors, fostering a parallel pipeline that further drives innovation and expands our merchandise offerings. Additionally, we source products from international markets to leverage global expertise and have access to diverse materials and technologies.

MULTI-CHANNEL DISTRIBUTION

Our extensive physical retail network, consisting of 931 stores, which are Exclusive Brand Outlets (EBO) of our brands. In addition, our brands are also present across Multi-Brand Outlets (MBO), Large Format Stores (LFS) and have established a robust online presence through our own websites and partnerships with leading e-commerce marketplaces.

We have integrated our physical and digital channels, particularly for our stores, thereby creating a seamless shopping experience for our customers. This omnichannel strategy, combined with our significant brick-and-mortar presence, enhances the reach and accessibility of our brands, enabling us to unlock new opportunities and drive growth.

CAPITAL-LIGHT BUSINESS

We have adopted an asset-light approach to building and growing our business. We source a diverse range of products in various designs, colours, and sizes across different categories. We partner with trusted third-party vendors for all our product sourcing. Our scale of operations and strong supplier network enable us to negotiate better margins with our vendors and secure favourable arrangements.

To enhance the reach of our brands, we are aggressively expanding our store presence across the country. As this retail expansion will largely follow the Franchise Owned Franchise Operated (FOFO) model, the capital required will be minimal.

OPERATIONAL EFFICIENCY

Our extensive retail experience and expertise enable us to drive efficiencies across the value chain, from procurement to sales, ensuring a competitive edge in lead time, inventory management, and cost control. We employ processes and systems designed to enhance supply chain efficiencies, including style rationalisation, scientific costing methods, standardised costing templates, and analysis of raw material pricing trends. Our sourcing strategy ensures the right merchandise is available at the right time, with initiatives like auto-replenishment for high-demand items.

Our industry-leading full price sell-thru rates further demonstrate our commitment to operational efficiency. Transitioning from a Sale or Return (SOR) inventory model to a consignment-based model has further provided us with significant advantages, including better inventory control, higher inventory turns, and improved analysis of customer responses and trends, ultimately contributing to a more efficient and profitable supply chain.

EXPERIENCED LEADERSHIP TEAM

Our Board of Directors is composed of highly respected and seasoned industry experts. Their strategic insights have been instrumental in establishing us as a prominent organisation recognised for its growth and ethics. Our management team, consisting of adept professionals, excels in driving operational efficiency, delivering exceptional customer experiences, identifying profitable opportunities, and executing our business strategies with precision.

MANAGEMENT COMMUNICATIONS

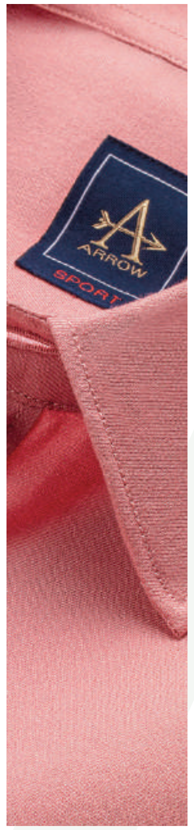
CHAIRMAN'S REFLECTIONS

DEAR SHAREHOLDERS,

It is with great pleasure that I present to you the inaugural integrated report of Arvind Fashions Limited (AFL). As we navigate a dynamic and ever-evolving business landscape, our goal is to provide a comprehensive overview of our financial performance, strategic initiatives, and the value we create for all our stakeholders. This report marks a significant milestone in our journey, underscoring our commitment to transparency, accountability, and sustainable growth. While enhancing the quality of our disclosures, this report also fosters integrated thinking across our organisation for the delivery of holistic long-term value.

The Indian retail industry is a critical driver of the nation's economy, contributing 10% to the GDP. In recent years, the sector has experienced substantial growth, driven by increasing urbanisation, rising disposable incomes, and widespread digitalisation across the value chain. Currently, India ranks among the top five retail markets globally and is projected to become the world's third-largest consumer market by 2030, following only China and the US. This growth trajectory highlights the vast potential and promising future of the Indian retail industry. The fashion and lifestyle segment, valued at USD 110 billion, stands as India's second-largest consumer category, with around 10% of this value stemming from online sales, demonstrating how e-commerce is democratising access to fashion.

Following a surge in spending across various segments, from clothes to cars, driven by post-pandemic revenge shopping, FY 2024 witnessed a slowdown in retail sales in India. Inflationary trends dampened consumer sentiment, leading to more cautious spending on discretionary products. Compared to a 6.8% growth in FY 2023, household consumption expenditure growth moderated to an estimated 4% in FY 2024, even as the Indian economy expanded at a robust 8.2%. Additionally, post-pandemic consumption patterns have shifted, with demand for luxury and premium products growing faster than for basic goods. With an expected rise in the number of middle- to high-income households with increasing disposable incomes, this trend is likely to be further amplified, driving overall growth in household consumption expenditure.



EXPANSION INTO ADJACENT CATEGORIES SUCH AS WOMEN'S WEAR, KIDS' WEAR, INNERWEAR, FOOTWEAR, AND ACCESSORIES ALSO PROVIDES MULTIPLE GROWTH LEVERS FOR OUR BRANDS.

Despite muted market conditions, your Company has continued its journey of profitable growth, reaffirming the strength of our brands and the effectiveness of our business strategy. We remain focussed on expanding the retail footprint across brands and entering Tier II and III cities in India, where significant potential remains untapped, while also accelerating growth in the online direct-to-consumer channel. Across our brands, premiumisation is a core theme. As consumers increasingly gravitate towards aspirational products, our marquee portfolio is well-positioned to benefit from this ongoing premiumisation trend. Expansion into adjacent categories such as women's wear, kids' wear, innerwear, footwear, and accessories also provides multiple growth levers for our brands. Bolstered by our commendable financial performance and a positive future outlook, the Board is pleased to announce a dividend recommendation of ₹ 1.25 per share for the full year.

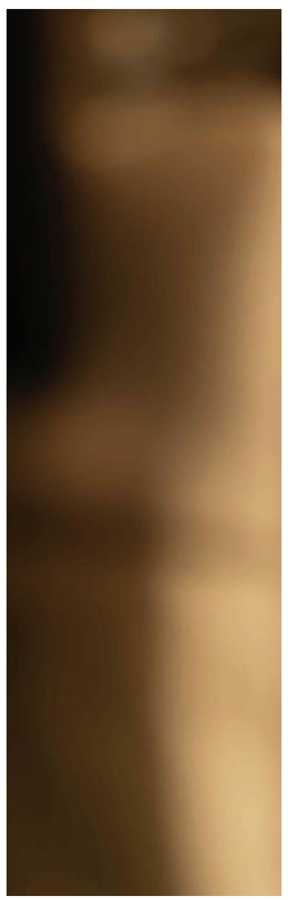
MANAGEMENT COMMUNICATIONS

I would like to further mention that we divested our prestige-beauty & cosmetic business, Sephora, during the year. With this strategic move, we completed our portfolio rationalisation exercise. Our stated goal has been to build a portfolio focussed on high return on capital and strong cash flow. The proceeds from the divestment were utilised for debt repayment and in scaling up our marquee brands. This divestment also positions AFL as a pure-play branded fashion company, enabling us to focus our management bandwidth on growing these brands.

The strength of a company lies in its people. Our sustained success is a reflection of our strong leadership team, the professionalism we have fostered, and the dedication of our employees. We remain committed to investing in our people, helping them achieve their personal career goals and maintaining a healthy work-life balance, with 'Quality of Work Life' being a key element of our organisational culture. Our steadfast commitment to the highest standards of governance, professionalism, and transparency forms the bedrock of our efforts to sustainably enhance stakeholder value. Our Board of Directors comprises well-regarded and experienced industry professionals, and we have established multiple committees and policies that ensure robust corporate governance, drive ethical behaviour, and enforce disciplined norms across the organisation.

Promoting sustainable practices is vital to us as we strive to do our bit for our Planet while continuing to meet evolving customer expectations and ensure the long-term viability of our business. From using eco-friendly materials and packaging to adopting internationally recognised standards in our supply chain, we are committed to offering sustainable fashion to our customers. Additionally, we focus on increasing the share of renewable energy in our operations and driving effective waste management to conserve natural resources and protect our environment. Our corporate social responsibility initiatives further reflect our dedication to making a positive impact in our local communities.

FROM USING ECOFRIENDLY MATERIALS AND PACKAGING TO ADOPTING INTERNATIONALLY RECOGNISED STANDARDS IN OUR SUPPLY CHAIN, WE ARE COMMITTED TO OFFERING SUSTAINABLE FASHION TO OUR CUSTOMERS.



Despite various global uncertainties, India's macroeconomic parameters remain strong, and the Indian economy is poised to maintain its status as the world's fastest-growing major economy. Downward-trending inflation, coupled with the realisation of a normal monsoon, may open up the possibility of rate cuts by the RBI in the second half of FY 2025. A reduction in policy rates will stimulate private consumption growth, which bodes well for the retail and fashion industry to rebound after a challenging demand environment over the past year. As the operating environment progressively improves, I am more excited than ever about the future of our Company. By investing in growing the scale of our brands and focussing on superior retail execution, we remain committed to our vision of being among the most respected retail and apparel players in the country.

In conclusion, I extend my heartfelt appreciation to my fellow Board Members for their invaluable guidance. I also wish to express my gratitude to all our stakeholders for their unwavering trust in our Company. With this steadfast support, AFL is well-positioned to continue its growth journey and deliver substantial long-term value.

Warm regards,

Mr. Sanjay Lalbhai

MANAGEMENT COMMUNICATIONS

MANAGING DIRECTOR AND CEO'S MESSAGE

DEAR SHAREHOLDERS,

I am pleased to report that it has been another year of strong performance for Arvind Fashions Limited (AFL) across multiple areas. The achievements are particularly commendable given the subdued consumer environment, underscoring the strength of our marquee brands, the resilience of our business model, and our continued focus on driving high quality execution.

While the Indian economy continued its robust growth momentum, high inflation across various industries and categories dampened consumer sentiment and discretionary spending in FY 2024. In the realm of fashion retail, delayed weather patterns directly impacted the seasonality of merchandise collections and consumer spending behaviour. An emerging trend within India's retail sector is the growing shift towards premiumisation, with the rapidly expanding middle class segment increasingly seeking aspirational and premium products. Our brands are well geared to capitalise on this premiumisation trend.

FINANCIAL REVIEW

FY 2024 has been a differentiated year for AFL and our sharper focus and execution across channels, combined with product innovation and tighter control over costs, continued to yield positive results.

Our revenue stood at ₹ 4,259 crore, reflecting a year-on-year increase of ~5%. The share of retail channel grew by nearly 3%, with growth in the early teens, while our online B2B channel saw a sharp decline as we strategically de-stocked to ensure a healthy and controlled consumer experience, emphasising tighter control on discounting.

WE REMAIN CONFIDENT IN OUR TRAJECTORY TOWARDS REALISING EVEN HIGHER RETURNS ON CAPITAL EMPLOYED IN THE NEAR TERM.

Even as we continued to make substantial investments in marketing to keep our brands salient, our EBITDA reached ₹ 544 crore, a 15% increase from the previous year. This success is attributed to sourcing efficiency, high full-price sell-thru, reduced discounting, and a favourable channel mix. EBITDA margins stood at 12.8%, representing a 120 basis point improvement driven by higher gross margin and operational cost efficiencies.

A significant achievement has been the robust improvement in our return on capital employed, an increase of 400 basis points to over 16%. Over the past year, we have implemented multiple strategic interventions and initiatives to enhance this metric. We remain confident in our trajectory towards realising even higher returns on capital employed in the near term.

OPERATIONAL HIGHLIGHTS

An important pillar of our growth strategy is accelerating our store expansion to connect with a broader customer base. During the year, we made significant progress in this area by opening 146 Exclusive Brand Outlets (EBOs), increasing our total EBO count to 931 stores. We continue to embrace an asset-light approach to store expansion across brands through the FOFO model.

Over the past year, we piloted innovative retail formats to further scale our brands. This includes 'Club A', a premium format where all our brands are available under one roof. Additionally, we scaled 'Stride', a multi-brand footwear and accessory EBO exclusive to our brands, and 'Megamart', a factory outlet model for all our brands, which offers an alternative to online channel for selling old-season merchandise. These new retail formats have garnered a strong consumer response and, having been successfully tested, are now ready for broader rollout.

Leveraging the strong equity of our brands, we have successfully extended their presence beyond apparel into adjacent categories, providing us with a new growth lever. We are putting significant efforts into four key categories: footwear, innerwear, kidswear, and women's wear. Today, these adjacent categories together contribute around ₹ 600 crore to our overall revenue, accounting for more than 15% share for some of our brands, with an impressive double-digit growth. We remain confident that as market conditions improve and we expand the distribution of our adjacent categories, this segment is poised for even higher growth and increased contribution to our overall revenue share.

There is a segment of consumers for whom online discovery and shopping are the first choices. To cater to this trend, we are heavily investing in the online channel while transitioning to a better online business model. Our strategy involves pivoting from an online B2B wholesale approach to a marketplace B2C model, where we hold the stock, build execution of the assortment, and have full control over pricing, visibility and discounting. While this shift has impacted our B2B online channel sales in the past year, we firmly believe that this transition to a marketplace B2C model is a healthier, long-term business strategy. We are aggressively building our direct-to-consumer business through significant investments in our own website as well, like launching dedicated website for U.S. Polo Assn. (www.uspoloassn.in).

Way ahead

As we enter FY 2025, we are witnessing improvement in demand, which we expect to translate into greater opportunities for scaling up our brands. The increasing trend of premiumisation and casualisation are particularly favourable for our brands, which are market leaders in their respective segments. Our focus is on energising each of our top growth drivers, including retail network expansion, growing innovative retail formats, digitalisation, and growth in adjacent categories. These efforts will be complemented by investments in marketing and advertising to fuel our brand salience.

We remain committed to the path of profitable growth through improvements in full price sell-thru's, higher like-for-like growth, and a reduction in discounting. Pursuing retail expansion and entering new cities when the opportunity is right will be central to our strategy; however, we will continue to prioritise quality over quantity. We also see significant potential to further enhance our retail channel mix and inventory management efficiency. Although we already rank among the top quartile companies in our sector with four times inventory turns, we believe there is room for further improvement through strategic initiatives. Our cash flow management will remain prudent, ensuring strict hygiene on working capital to enhance profitability and return on capital employed. The generation of surplus cash, driven by efficient operations, will be used to repay debt, as we are committed to achieving a debt-free status in the medium term.

LEVERAGING THE STRONG EQUITY OF OUR BRANDS, WE HAVE SUCCESSFULLY EXTENDED THEIR PRESENCE BEYOND APPAREL INTO ADJACENT CATEGORIES, PROVIDING US WITH A NEW GROWTH LEVER.

In summary, our portfolio of marquee brands and operational rigor positions us well to continue our exciting growth journey. Fulfilling consumer aspirations will remain at the core of our strategies as we aim to gain market share and outpace industry growth. I take this opportunity to extend my sincere gratitude to our customers, business partners and shareholders for their unwavering trust in our Company. I would also like to convey my heartfelt thanks to our team for their hard work and commitment. At AFL, we recognise the vast opportunities that lie ahead. By maintaining a steadfast focus on our key priorities, we are confident in building a stronger future for all stakeholders.

Warm Regards,

Shailesh Chaturvedi
Managing Director & CEO

OPERATING ENVIRONMENT

OPERATING IN A DYNAMIC AND FAST-PACED ENVIRONMENT, WE CONTINUOUSLY SCAN AND MONITOR RETAIL-SPECIFIC TRENDS, WHICH INFLUENCE OUR ABILITY TO DRIVE VALUE CREATION.

GROWING MIDDLE CLASS AND PREMIUMISATION TREND

In India, per-capita income has significantly increased, rising from about USD 1,400 in 2014 to around USD 2,200 in 2022. This economic growth has led to a growing middle class, which is expected to expand by 110 million households (from 190 million) between 2021 and 2030, equivalent to half of the current households in the European Union. This expanding middle class is driving the demand for premium and branded goods.

Implications for our Company

The rapidly growing group of affluent consumers in India presents exciting opportunities to expand our aspirational and international brands, U.S. Polo Assn., Tommy Hilfiger, Arrow, Flying Machine and Calvin Klein. We continue to enhance the premium nature of our brands by focussing on launching superior products and delivering exceptional experiences. Our brand extensions provides additional growth avenues with customers seeking premium products across categories.

THE RISE OF CASUALISATION

The Indian casual wear market has evolved significantly, with categories such as denim, polos, and casual shirts experiencing substantial growth. This shift reflects changing customer preferences and the increasing acceptance of casual wear in both office and home environment. The trend has expanded beyond "Casual Fridays" to include casual attire from Monday to Thursday. Post-COVID-19, these casualisation trends have accelerated further, continuing the momentum that was already in place.

Implications for our Company

With industry-leading brands in the casualwear and denim segments, we are well-positioned to meet the growing demand for casual dressing. Additionally, we have introduced smart casualwear collections such as Arrow New York, under our formal-wear brand, Arrow, allowing us to expand its size and reach.

VALUE CREATION APPROACH

SMALLER CITIES PRESENTING EXCITING GROWTH OPPORTUNITIES

Premiumisation is no longer just an urban trend. Tier 2 and Tier 3 cities are experiencing significant economic growth, leading to better employment opportunities, higher discretionary income, and rising demand for top fashion and retail brands. The demand for aspirational products is also increasing as more people travel abroad. Enhanced connectivity, improved infrastructure, and easier access in these areas are enabling retail players to meet the evolving preferences of customers.

Implications for our Company

We are aggressively expanding our retail footprint into Tier II and III cities, recognising the aspirations of young Indians in these regions. This expansion is democratising fashion and serving as one of the primary drivers of our growth.

OMNI-CHANNEL SHOPPING CONVENIENCE

India has emerged as a digital powerhouse, ranking second globally in internet users (830 million) and smartphone users (750 million). With 220 million online shoppers, India holds the third position in online shopping. The widespread adoption of digital technologies and the growing comfort of Indian consumers with online shopping are reshaping the retail landscape. Consumers now expect "phygital" experiences that seamlessly integrate physical and digital elements.

Implications for our Company

Our brands maintain a significant presence across multiple channels, including EBO, MBO, LFS, and online platforms. Our online channels encompass both B2B, through leading e-commerce sites and B2C, via our own websites. Additionally, we fulfil online orders through our EBOs, with nearly 90% of these stores now operating as omnichannel stores. This integration creates a consistent brand experience, facilitates seamless transitions between online and offline shopping, and enables personalised marketing that resonates with individual customers.

SUSTAINABILITY AND ETHICAL FASHION

The fashion industry is undergoing a profound shift towards sustainability and ethical practices, driven by informed and environmentally conscious consumers. Gen Z, in particular, demands transparency and ethical standards in fashion. Social media and influencers amplify this trend, promoting sustainable brands and encouraging responsible choices such as eco-friendly materials, transparent supply chains, fair labour practices, and waste reduction. This movement is reshaping the industry's future, emphasising long-term environmental and social impacts.

Implications for our Company

Recognising the shifting customer landscape, we are embracing sustainability as a core aspect of our business strategy. We are actively integrating sustainability into our product design and development processes. These initiatives include sourcing materials from sustainable suppliers, utilising eco-friendly materials and manufacturing techniques, adopting sustainable packaging, embracing circular economy principles, and communicating product sustainability details to our customers, among other efforts.

VALUE CREATION APPROACH

BUSINESS MODEL

Approach	Input capital
FINANCIAL CAPITAL The financial resources raised and available to us for growing our operations.	• ₹ 1,658.5 crore capital employed • ₹ 434.1 crore net cash flow from operating activities • ₹ 298.1 crore Net debt • ₹ 778.8 crore Net working capital
MANUFACTURED CAPITAL The physical infrastructure used in the distribution and selling of our products, including our offices, warehouses, retail stores, and information technology systems (including brand websites).	• 931 EBOs • 9,000+ MBOs and Shop in shops across department stores • 450+ cities & towns presence • 7 warehouses • 8 third party e-commerce sites where our brands are present • 2 Brand and Company websites • E-commerce capabilities: websites, apps, social media • New retail formats piloted
INTELLECTUAL CAPITAL The intangibles of prestigious brands, domain knowledge, product design and development capabilities, brand campaigns, sophisticated technologies and tools, and robust processes and systems, which provide us with a competitive advantage.	• 5 marquee brands • Inventory and distribution management systems • Policies, procedures and manuals • CRM systems • ₹ 171.2 crore spent on marketing expenses
NATURAL CAPITAL The environmental resources applied and utilised in the operations of the business.	• 10,363.1 GJ of total energy consumption • 40%+ energy consumed from renewable sources • 82.5 lakh kilolitres of water withdrawn • Plastic and other waste recycling programme • Use of organic cotton and other sustainable materials used in product development and packaging materials
HUMAN CAPITAL The skills, capabilities, and experience of the Board, management and employees, which enable us to deliver our products and services and implement our strategy, creating value for our stakeholders.	• 6,400+ employees • 12,000+ training hours conducted • ₹ 0.1 crore spent on health, safety and well-being of the workforce • Values-driven corporate culture
SOCIAL AND RELATIONSHIP CAPITAL The relationships that we have developed with customers, suppliers, employees, shareholders, government and community.	• 100+ supplier base • 33% of total input material sourced from MSMEs • ~1.7 lakh shareholders

Strategic priorities

- Driving product innovation
- Accelerating store expansion
- Keeping our brands salient
- Growing adjacent categories
- Ensuring operational rigor and profitable growth

Business activities

- Product design and development
- Sourcing
- Supply chain logistics
- Marketing
- Retail

Creating value for all stakeholders

- Customers
- Employees
- Suppliers
- Channel Partners
- Community
- Investors

Output	Outcome
FINANCIAL CAPITAL • ₹ 4,259.1 crore Revenue from operations • ₹ 80.6 crore PAT • ₹ 544.3 crore EBITDA • 16%+ Return on Capital Employed • ₹ 1.25 per share dividend payout	• Strong cash flow generation • Healthy balance sheet and efficient capital allocation • Continued access to financial capital through investor and financial market confidence
MANUFACTURED CAPITAL • ₹ 82.3 crore Capital expenditure • ~58k Net sq ft. added • ~10.72L Total sq ft. • 3.0% increase in retail channel mix	• Greater brand visibility and accessibility through store expansion • New retail formats scoring high on customer satisfaction • Increased contribution of B2C channel sales to online sales • Increased offline sales through various channels
INTELLECTUAL CAPITAL • 1.6+ crore products sourced every season • ₹ 600+ crore sales from adjacent categories	• Industry-leading full-price sell-thru • Reduced delivery lead time and costs • Improved customer experience through enhancements to order fulfilment processes • Optimised marketing campaigns and sales forecasting through use of data analytics and AI
NATURAL CAPITAL • 100% waste recycled at warehouses • 160 MT of recycled PET used for collar traveller and other products • 342 MT of packaging waste recycled	• Reduction in consumption of natural resources • Promotion of sustainable fashion • Minimised the environmental impact of our operations
HUMAN CAPITAL • 26.4% attrition rate • Improvement in gender balance	• Happy, healthy and engaging work environment • Increase in productivity of employees by building their skillsets and technical knowledge • Future-ready team equipped to drive better customer experiences and business priorities
SOCIAL AND RELATIONSHIP CAPITAL • 85%+ products sourced within India • 100% value chain partners assessed	• Empowered underserved communities through various CSR initiatives • Maintained positive relationships with stakeholders

VALUE CREATION APPROACH

BUSINESS STRATEGY

OUR GROWTH STRATEGY IS MULTIFACETED AND RESPONDS TO CHANGING MARKET TRENDS, ENABLING US TO DELIVER MEMORABLE CUSTOMER EXPERIENCES AND CAPTURE EXCITING OPPORTUNITIES.

S1 DRIVING PRODUCT INNOVATION

WHY IT IS IMPORTANT

Central to our continued growth is our ability to deliver market-leading product innovation across our brands. By offering products that excel in fashion and quality, we enhance our value proposition, meeting the aspirations of India's large customer base.

WHAT WE ARE DOING

We foster innovation through both in-house design and strategic sourcing. Our in-house design team leverages expertise in fashion trends, design skills, fabric selection, and technical specifications to craft high-quality designs that keep our portfolio engaging. Additionally, our design and sourcing teams work closely together, exchanging customer and market insights to ensure that sourced products align with the latest fashion trends. By sourcing products from international markets, we harness global expertise and access diverse materials and technologies, thereby delivering enhanced customer experiences.

In our pursuit of product innovation, we focus on driving premiumisation across categories and brands. This includes using superior quality cotton and raw materials and continually introducing new product lines, such as the Liquid Cotton Polo in U.S. Polo, 1851 line in Arrow, and Tailored line in Tommy Hilfiger.

S2 ACCELERATING STORE EXPANSION

WHY IT IS IMPORTANT

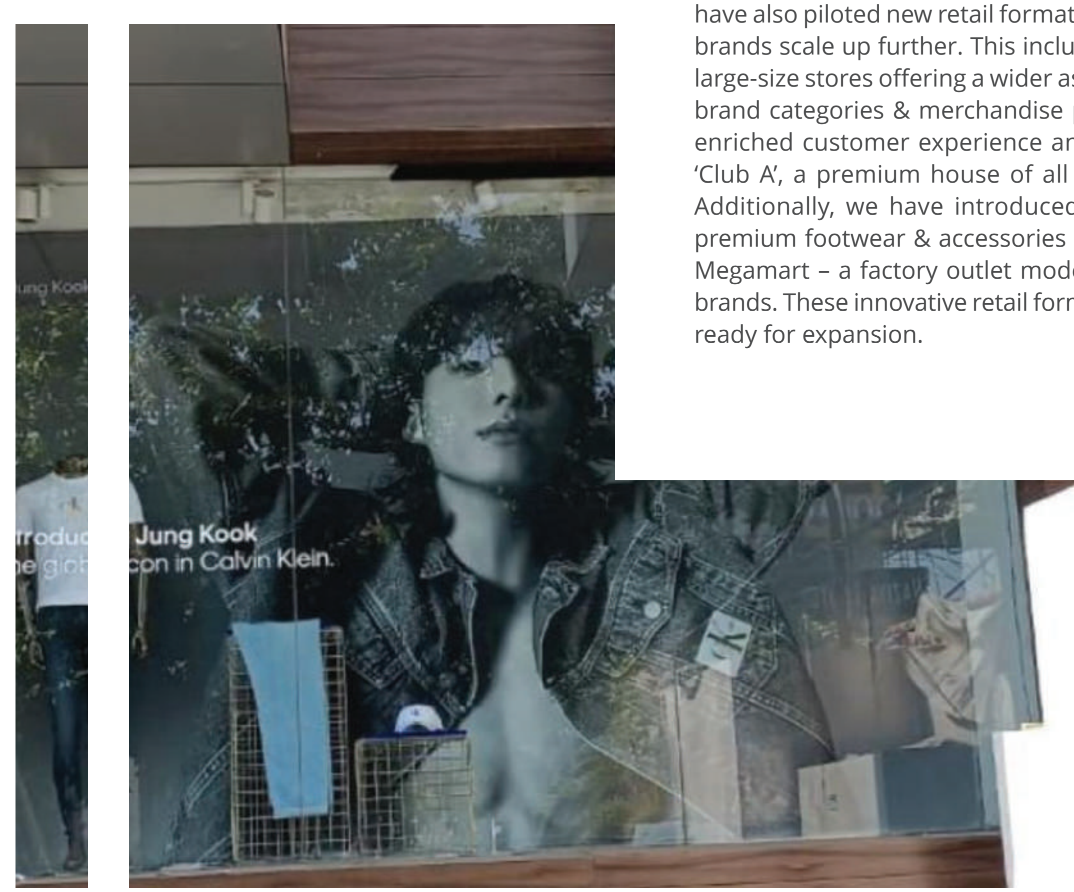
In-store retail experiences often surpass online shopping. Consumers, both globally and in India, prefer the tangible, immersive experience of shopping at physical stores. Expanding our retail footprint into new markets also allows us to connect with a broader customer base, unlocking growth opportunities for our brands and improving their margin profiles.

WHAT WE ARE DOING

We are aggressively expanding our nationwide presence through various retail formats, with a particular emphasis on Tier II and III towns. We have a presence with 931 EBOs, 9,000+ MBOs and shop in shops across department stores. Our geographic reach now spans 450+ cities.

Our EBOs provide a distinctive brand experience, boosting visibility and market presence. Looking ahead, we plan to add around 150 EBOs annually, largely through the Franchise Owned Franchise Operated (FOFO) model, further enhancing our market penetration.

In addition to expanding our retail network, we have also piloted new retail formats to help our brands scale up further. This includes opening large-size stores offering a wider assortment of brand categories & merchandise providing an enriched customer experience and launching 'Club A', a premium house of all our brands. Additionally, we have introduced 'Stride' – a premium footwear & accessories concept and Megamart – a factory outlet model for all our brands. These innovative retail formats are now ready for expansion.



VALUE CREATION APPROACH

S3 KEEPING OUR BRANDS SALIENT

WHY IT IS IMPORTANT

In a competitive marketplace, for enhancing our brands' visibility and ensuring their top-of-the-mind recall, it is important that sustained investments are made in marketing, along with driving product innovation. Keeping our brands salient also enables our brand to drive higher market share.

WHAT WE ARE DOING

Our focus remains on reenergising our brands by increasing our investments in marketing and advertising. The overarching marketing strategy focusses on leveraging celebrity brand ambassadors to enhance brand salience and drive sales. In FY 2024, we increased our advertisement and publicity expense to ₹ 171.2 crore, up from ₹ 123.7 crore in the previous year, accounting for 4.0% of our revenues.

VALUE CREATION APPROACH

S 4 GROWING ADJACENT CATEGORIES

WHY IT IS IMPORTANT

Our forays into adjacent categories such as footwear, innerwear, kids' wear, womenswear and accessories are experiencing healthy growth. This multi-category strategy is a robust lever for expanding our addressable market, scaling our brands, and enhancing our margins.

WHAT WE ARE DOING

We leverage the strong appeal and loyalty of our brands to continuously seek opportunities for expansion into adjacent categories, reinforcing our commitment to broadening our market presence. The success of our brand extensions is evidenced by the fact that approximately 20% of revenue for some of our brands comes from adjacent categories.

S 5 ENSURING OPERATIONAL RIGOR AND PROFITABLE GROWTH

WHY IT IS IMPORTANT

We remain sharply focussed on driving profitable growth through superior retail execution, brand scale-up, and cost optimisation. We are confident that our decisive focus on scaling up existing brands will unlock greater operating leverage and deliver substantial value to our customers and stakeholders.

WHAT WE ARE DOING

The launch of high-quality seasonal collections enables us to drive superior customer experiences, resulting in better sell-thru rates and reduced discounting. We have also reduced our gross working capital cycle vis-à-vis the previous year through agile inventory management and stronger retail channel mix.

We have transitioned to a consignment-based model across our retail channel, where inventory is owned by the Company until sold to the end-customer. This model offers several advantages, including better inventory control, higher inventory turns, and improved analysis of customer responses and trends, contributing to a more efficient and profitable supply chain. We are also optimising our sales channels by efficiently liquidating old season merchandise online and shifting more of online B2B sales to our own B2C marketplace, providing better control, pricing and reduce discounting.

VALUE CREATION APPROACH

STAKEHOLDER ENGAGEMENT

UNDERSTANDING AND COLLABORATING WITH OUR STAKEHOLDERS, AND EFFECTIVELY RESPONDING TO THEIR EXPECTATIONS, ARE ESSENTIAL COMPONENTS OF OUR STRATEGY FOR BUILDING A SUSTAINABLE BUSINESS THAT DELIVERS SHARED VALUE.

CUSTOMERS

KEY EXPECTATIONS	OUR RESPONSE	ENGAGEMENT MEDIUM	MEASURING PERFORMANCE
• Diverse range of fashion and lifestyle choices that meet customer aspirations • High-quality products at competitive prices • Memorable in-store experience • Convenient and seamless shopping experience both in physical stores and online • Responsive customer service, including timely responses to enquiries, efficient handling of returns and exchanges, and overall support throughout the shopping journey • Integration of sustainable and ethical practices	• Curated collections matched to global market trends • Maintaining rigorous quality control standards during sourcing • Convenient store locations with a comfortable shopping environment • Expanding omnichannel presence and the integration of our physical and online channels • Promotions and offers for enhancing customer experiences and brand loyalty • Investing in responsive customer support systems • Integrating eco-friendly practices in product design and development	• Physical stores, own brand websites, and e-commerce platforms • Advertising and marketing campaigns on traditional and social media • Customer surveys and feedback forms • Phone, email, SMS, and live chat support on WhatsApp and brand websites • Loyalty programmes that offer rewards and exclusive deals	• Customer feedback with regards to price, service and quality • Ratings given by customers • Repeat customers • Conversion rate from visitors to customers

EMPLOYERS

KEY EXPECTATIONS	OUR RESPONSE	ENGAGEMENT MEDIUM	MEASURING PERFORMANCE
• Training and development opportunities • Career advancement • Competitive remuneration and performance management • Health, safety and wellbeing • Frequent communication from management	• Promoting robust learning journeys • Competitive compensation and benefits • Structured employee surveys • Periodic townhalls to enable bottom-to-top communication • Implementing health, safety and well-being initiatives • Fostering employee engagement and satisfaction • Communicating updates on policies, processes and systems	• Townhall meeting • Training programmes • Employee engagement surveys • Employee engagement programmes • Performance appraisal reviews • Grievance redressal mechanism • Emails and meetings	• Employee retention rate • Employee engagement score • Investments in learning and development programmes

SUPPLIERS

KEY EXPECTATIONS	OUR RESPONSE	ENGAGEMENT MEDIUM	MEASURING PERFORMANCE
• Competitive pricing and consistency of orders • Clear and fair contracts with favourable terms and conditions • Regular and timely payments • Sustainable long-term relationship • Value-led growth opportunities	• Timely planning and forecasting of seasonal orders • Timely payments • Fair and transparent contract clauses and business policies • Continuous quality audits and training • Collaborating for innovative and high-quality product development	• Merchandise order discussions • Supplier audits, visits and assessments • Meetings of suppliers and management • Supplier workshops	• Strategic parameters like design support, compliance etc. • Operational parameters including OTIF & Quality • Financial parameters with regards to stability & payments • Relationship parameters based on responsiveness etc.

VALUE CREATION APPROACH

INVESTORS

KEY EXPECTATIONS	OUR RESPONSE	ENGAGEMENT MEDIUM	MEASURING PERFORMANCE
• Consistently delivering short and long term returns from the business • Continuously improving operational & financial performance • Transparent and timely disclosure of business performance, investments and strategy • Responsible corporate governance ensuring sustainable long-term performance • Responsible capital allocation, balancing growth and shareholder returns	• Consistent revenue growth • Driving operational efficiency • Proven performance across key financial metrics • Healthy balance sheet with adequate liquidity • Commitment to ethical and transparent business practice	• Annual General Meeting • Full-year and quarterly results investor presentations • One-on-one meetings with investors, analysts and fund managers • Post-results investor conferences and earnings calls • Annual integrated report • Dedicated investor relations function and investor website page	• Financial indicators such as revenue growth, EBITDA, ROCE, PAT • Long-term share price appreciation

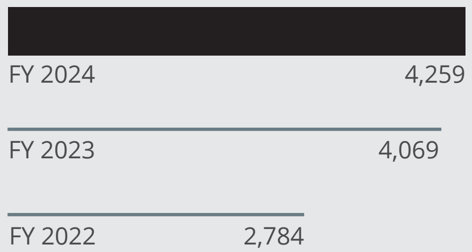
GOVERNMENT AND COMMUNITIES

KEY EXPECTATIONS	OUR RESPONSE	ENGAGEMENT MEDIUM	MEASURING PERFORMANCE
• Job creation and retention • Contribution towards societal welfare • Regulatory compliance • Environmental protection	• Local recruitment • Support for education to underprivileged students • Undertaking initiatives for strengthening communities • Implementing environmentally-responsible practices across operations • Adherence to regulatory laws • Timely payment of taxes	• Need assessment surveys • One-on-one meetings • Mandatory compliance reports	• Impact assessment • Waste reduction • Energy sourced from renewable sources • Number of issues relating to non-compliance

PERFORMANCE REVIEW

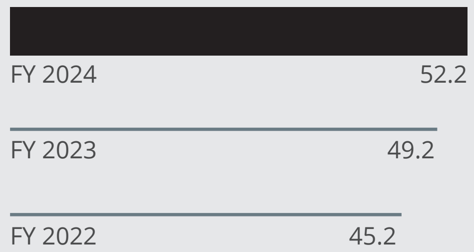
FINANCIAL HIGHLIGHTS

SALES
(₹ in crore)

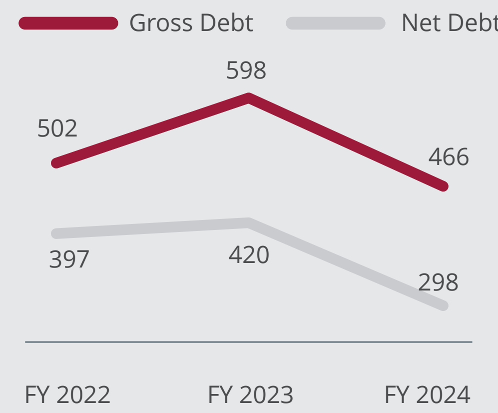


24% CAGR

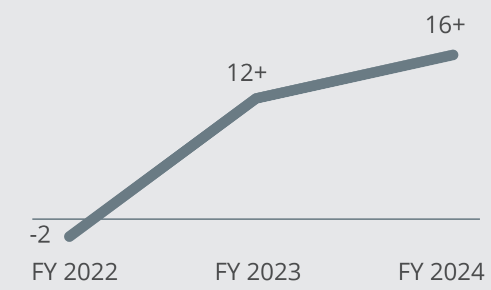
GROSS MARGINS
(%)



GROSS DEBT & NET DEBT
(₹ in crore)

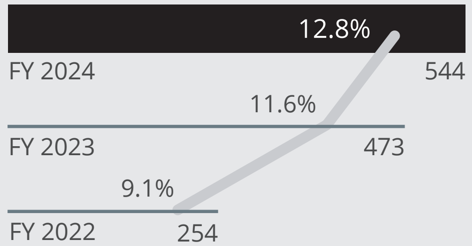


RETURN ON CAPITAL EMPLOYED
(%)



Gross Debt = Total borrowings (non-current + current), Net Debt = Gross debt - cash & cash equivalents
ROCE calculation: Average TTM EBIT / Average TTM Capital Employed * 100

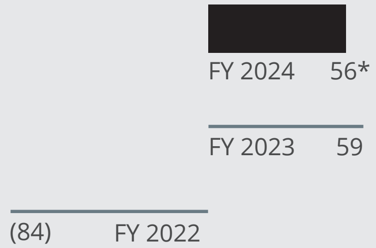
EBITDA



47% CAGR

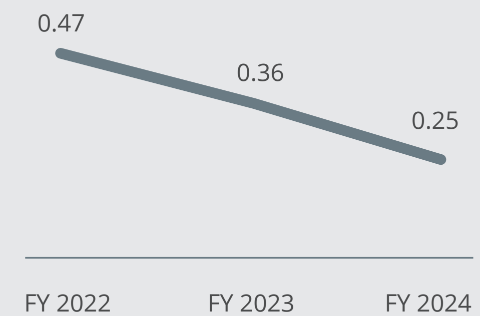
EBITDA (₹ in crore)
EBITDA (%)

PAT (after minority interest)
(₹ in crore)



*Excluding exceptional item

NET DEBT / EQUITY
(%)



Equity = Share capital + Other Equity + Non controlling interest

All figures are for continuing business and like-to-like comparable

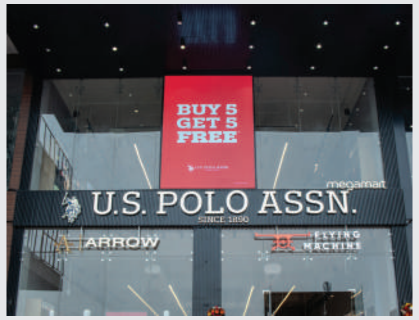
PERFORMANCE REVIEW

OPERATIONAL HIGHLIGHTS

LAUNCH OF INNOVATIVE RETAIL FORMATS READY FOR EXPANSION

STRIDE
Premium footwear & accessories concept

CLUB A
Premium house of AFL brands



MEGAMART
Factory outlet model for AFL brands

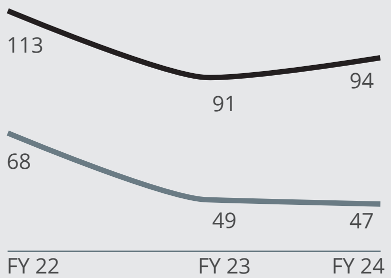
STORE EXPANSION

Strong pace in accelerating retail network

(As of March 31) Sq. ft. (in Lakh)

FY 2024	~10.72
FY 2023	~10.14

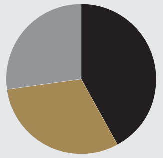
Working capital management



Days calculation, for example: Inventory days = Average TTM Inventory / TTM Revenues * 365

CHANNEL MIX

Focus on building high quality retail business



42%
Retail

31%
Wholesale (MBO + Dept. Stores)

27%
Online and Others

INVESTMENTS IN MARKETING
(₹ crore)

FY 2024	171.2
FY 2023	123.7

PERFORMANCE REVIEW

BRAND HIGHLIGHTS

U.S. POLO ASSN. (USPA)

U.S. Polo Assn. continues to dominate the casual lifestyle category across multiple channels, propelling it towards becoming a ₹ 2,000+ crore Net Sales Value (NSV) brand. Our strategic focus on product innovation has led to the introduction of premium offerings, such as the Liquid Cotton Polo, positioning USPA as a market differentiator. This premiumisation strategy extends to winterwear, which has experienced strong sell-thrus, and investments in bottom wear are yielding robust results.

We also launched the Legends campaign, showcasing iconic pairs like Arjun Rampal with Milind Soman and the legendary tennis duo Leander Paes and Mahesh Bhupathi. This campaign received extensive media coverage and significantly amplified brand recognition and consumer connection.

Significant marketing investments have bolstered the brand's visibility and engagement. Notable campaigns include the #PlayTogether initiative featuring Arjun Rampal and the appointment of His Highness Maharaja Sawai Padmanabh Singh as the new Global Brand Ambassador. The womenswear collection was promoted through the "PDKF Ladies Polo Cup 2024".

Our first brand website, www.uspoloassn.in, was launched to enhance our digital presence. We have also expanded our retail footprint with larger, iconic stores in prominent locations like Jayanagar, Bangalore, and Goa. Enhancements to the in-store experience, including modern decor and sport-inspired accessories, have improved customer engagement and sales conversion rates.

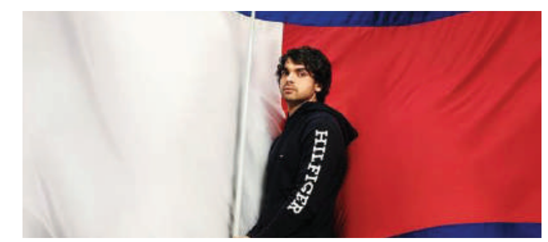
USPA's expansion strategy includes strengthening adjacent categories. The launch of the Athleisure line, 'USPA Sports', and growth in footwear and kidswear underscore the brand's success in building new categories. Additionally, the introduction of women's wear has gained significant traction, further diversifying and enriching USPA's product portfolio.

TOMMY HILFIGER (TH)

Tommy Hilfiger maintained its strong affinity towards premium products despite market slowdown, driving superior sales growth and profitability.

The brand's unwavering focus on delivering a differentiated customer experience, combined with high-quality product designs, has been pivotal in its success across stores in India.

The 'Tommy Tailored' line and handbags have received an encouraging response, highlighting the brand's appeal in the premium segment. The brand's winterwear offerings also resonated well with customers, further solidifying Tommy Hilfiger's position in the market.



A notable highlight for Tommy Hilfiger was the signing of Neeraj Chopra, India's Olympic icon, as the brand ambassador during Autumn-Winter 2023. Neeraj Chopra's association with the brand underscores the brand's commitment to excellence and resonates with its ethos of premium quality and distinguished style.

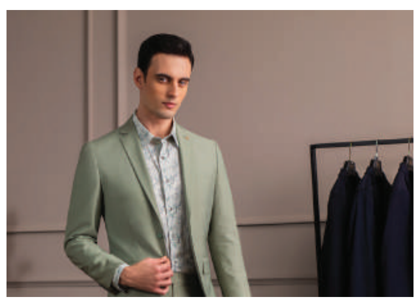
PERFORMANCE REVIEW

ARROW

Arrow continued its journey of profitable growth, despite a challenging market environment, demonstrating steady year-on-year revenue increases across various channels.

The brand's focus on providing a superior retail experience and expanding its retail footprint has been instrumental in its success. Arrow introduced a new retail identity, emphasising an enhanced customer experience and the expansion of EBOs.

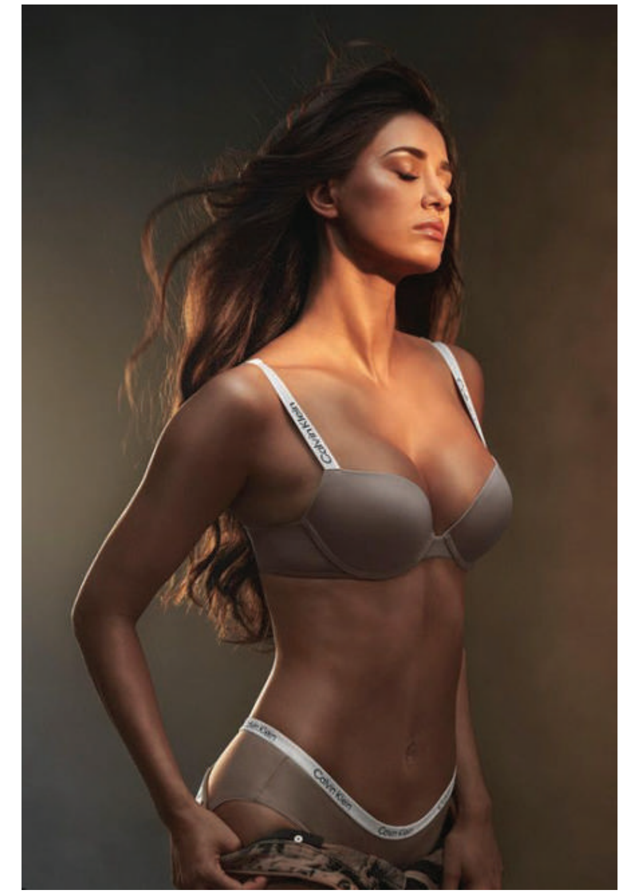
The brand's premiumisation strategy, particularly through the further rollout of the super-premium '1851' line, has yielded excellent results. This line, along with the recently launched 'Auto Press' wrinkle-free shirts, has shown robust sell-thru rates, reinforcing Arrow's position in the premium market segment.



Significant marketing investments have also played a crucial role in Arrow's success. A new campaign featuring celebrity Hrithik Roshan has significantly boosted brand visibility and consumer engagement, highlighting Arrow's commitment to maintaining its prestigious image and appeal.

CALVIN KLEIN (CK)

Calvin Klein's strategic focus on premiumisation has driven strong financial performance, marked by industry-leading full-price sell-thru's. The brand has established market leadership in the bridge-to-luxury segment, particularly in the jeans, tees, and innerwear categories.



The brand continues to benefit from its strong partnership with celebrity Disha Patani. The launch of the new watch campaign featuring her has further enhanced the brand's visibility and appeal, reinforcing Calvin Klein's position as a leading name in the premium fashion segment.

PERFORMANCE REVIEW

FLYING MACHINE (FM)

Flying Machine embarked on a transformational journey, introducing a fresh brand identity with a new logo, design, and brand positioning. This revitalised brand appeal has significantly enhanced its market presence, even in a muted market environment, leading to improved full-price sell-thru's.

The brand's focus on upgraded product designs has strengthened customer connections, with the trade community responding positively to new collections. This positive reception has fuelled rapid expansion through distribution channels.

Flying Machine's extension into the footwear category is showing promising results. Additionally, the launch of a capsule collection in association with 'Muhammad Ali' has generated significant interest, highlighting the brand's innovative approach and appeal.

PERFORMANCE REVIEW

HUMAN RESOURCES

WE CONTINUALLY INVEST IN ATTRACTING, DEVELOPING, AND RETAINING TALENT WHILE ENHANCING EMPLOYEE ENGAGEMENT AND SATISFACTION LEVELS, FOSTERING A SUPPORTIVE AND DYNAMIC WORK ENVIRONMENT.

Our Human Resource (HR) strategies are driven by the CCPP formula: Care for our employees, which fosters Confidence in our workforce and teams, enabling them to achieve the highest standards of Performance. This commitment ultimately leads to their growth and Promotion within the organisation.

TALENT ATTRACTION AND ONBOARDING

Our primary focus in talent acquisition has been building a pipeline of young, high-potential talent. Initiatives include a Management Trainee programmes to recruit talent from the Indian Institutes of Management (IIMs) and strengthening the National Institute of Fashion Technology (NIFT) Campus programmes with increased emphasis on internship-led hiring.

During the year, our talent acquisition and operations team optimised recruitment processes and enhanced operational efficiency, improving both candidate experience and organisational effectiveness. Our campus recruitment programmes established strong relationships with targeted management and fashion institutes, facilitating seamless recruitment activities. This included meticulous planning of day zero slots, pre-placement talks, tailored hiring plans, and smooth pre-joining and onboarding processes.

Talent acquisition automation has revolutionised our recruitment from requisition to onboarding. Implementing mandatory feedback mechanisms and standard operating procedures (SOPs) ensured stakeholder compliance and streamlined data tracking, improving efficiency and transparency. Standardising pre-joining formalities and optimising onboarding procedures ensured a seamless transition for new hires, reducing offer declines and achieving high joining rates.

TALENT RETENTION AND RECOGNITION

Key talent is retained through a comprehensive total rewards approach, offering high-quality work, empowerment, autonomy, career progression opportunities, timely recognition, and competitive pay. Internal progression is prioritised, ensuring employees are considered for new roles before looking outside the organisation. The talent management practice includes regular and structured assessments for employee development and promotion.

The Variable Pay Scheme rewards employees for performance against Key Result Areas (KRAs) defined at a functional level, allowing them to excel and be recognised for their achievements. Contributions of top and high-potential employees are celebrated at a special annual conference. We also recognise employees with Retail, Value, and Spotlight awards to reinforce key behaviours and values.

LEARNING AND DEVELOPMENT

Arvind University, our learning and development centre of excellence, plays a crucial role in building a skilled and capable workforce. Our programmes are strategically aligned with business objectives, addressing current and future skill gaps to ensure our workforce remains agile in the evolving retail landscape.

We offer personalised learning based on individual needs and focussed interventions to build capability across roles and functions. Notable programmes include Accelerate Your Leadership Potential, Management Development Programmes, and Arvind Management Essentials (AME), our flagship People Manager's programmes. These initiatives cultivate managerial talent and foster future leaders who embody AFL's core values. We also invest in functional learning interventions and top-tier external learning programmes.

DIVERSITY, EQUITY, AND INCLUSION

DEI initiatives at AFL focus on embracing diverse backgrounds, ensuring fair treatment, access, opportunity, and advancement for everyone, and fostering a culture where all individuals feel valued, respected, and supported. This year's DEI efforts included creating gender-neutral policies, establishing a DEI committee with champions from each business/function, and assessing our DEI maturity matrix. Our primary goal was to increase the number of women in the retail team, reflected in our improved gender diversity ratio.

EMPLOYEE EXPERIENCE AND ENGAGEMENT

"Quality of Work Life" is a key element of our organisational culture, offering flexibility and autonomy through policies that ease business operations. Our progressive policies, including Flexi-time, Gender Neutral, Equal Employment Opportunity, Paternity & Adoption, and Crèche Services, along with professional development and career mobility opportunities, create an environment of empowerment, growth, safety, and engagement for all employees.

Our employee engagement framework focusses on holistic growth. Programmes like "Arvind Voice" and exit surveys provide platforms for open communication, fostering a culture of transparency and empowerment. Leaders connect with employees through town halls and other programmes to share achievements, challenges, and future plans.

A Human Resource Management System (HRMS) is utilised for employee life-cycle processes, ensuring a more efficient and consistent experience. All employee systems are cloud-based and mobile-enabled, allowing easy access on the go.

EMPLOYEE HEALTH AND WELLBEING

Arvind Care, our safety and wellness initiative, reflects our deep concern for the health, happiness, and wellness of each employee. Key initiatives include free health check-ups, Doctor-on-Call, weekly doctor visits, a medical room with nursing facilities, and an employee gym. Apna Arvind, a comprehensive employee self-service platform, provides instant support on policies, payroll services, learning and development, career progression, performance, and wellness. We also promote work-life balance through wellness initiatives on yoga and ergonomics, with specific policies to ensure the safety and support of women employees.

PERFORMANCE REVIEW

SUPPLY CHAIN

OUR COMMITMENT TO BRAND EXCELLENCE DRIVES US TO MAINTAIN AN AGILE SUPPLY CHAIN AND ENSURE THE HIGHEST STANDARDS IN QUALITY, SUSTAINABILITY, AND ETHICAL SOURCING, ENSURING A RESPONSIBLE AND TRANSPARENT SUPPLY CHAIN.

ROBUST SUPPLY CHAIN

We consistently strive to make our supply system more agile, reliable, and sustainable. In recent years, our sourcing team has initiated a host of measures to achieve this goal. These measures include diversifying sourcing locations, building robust relationships with key suppliers, implementing risk management strategies, and investing in technology and infrastructure to enhance supply chain visibility and flexibility.

We consider multiple criteria for vendor selection and onboarding of suppliers. These criteria include past performance in delivery and quality, financial reliability, and social compliance with labour and environmental regulations. Currently, our domestic model operates with vendors who are both brand-specific and multi-brand. Our future direction is to move towards brand-specific vendors, allowing us to utilise capacity to the maximum by having dedicated manufacturing lines.

QUALITY ASSURANCE

We are committed to maintaining quality assurance and product excellence across all our brands through stringent quality control processes and standards. Our key focus areas include enhancing vendor capabilities, improving process capabilities, and elevating product value. To achieve this, we have implemented measures to enhance Quality Management System (QMS) ratings, improve testing capabilities, reduce defect rates, and streamline Pre-Production (PP) submissions. Our dedication to quality is further supported by the introduction of Self Certification Audits for key supply partners through the Green Channel programmes, fostering a responsible supplier ecosystem.

SUSTAINABILITY AND ETHICAL SOURCING

We prioritise sustainability in supply chain through initiatives such as ethical sourcing and resource efficiency. Responsible Supply Chain (RSC) guidelines have been established to select suppliers based on their labour practices, human rights, environmental policies, compliance with regulations, and commitment to ethical standards. Regular audits and assessments of suppliers' facilities are conducted to verify compliance with labour and environmental standards. These assessments include on-site visits, documentation reviews, interviews with workers, and evaluations of working conditions and environmental practices.

ADOPTION OF INTERNATIONALLY RECOGNISED STANDARDS

We have made significant strides in promoting responsible sourcing practices within our supply chain by adopting internationally recognised standards. These standards include:

Amfori Business Social Compliance Initiative (BSCI): A global initiative aimed at improving working conditions in global supply chains, providing a framework and tools for monitoring and improving social performance.

Sedex Members Ethical Trade Audit (SMETA) 4-Pillar: A widely recognised audit methodology used to assess ethical and responsible business practices across four key pillars: Labour Standards, Health and Safety, Environmental Standards, and Business Ethics.

Social Accountability International SA8000 Standard: A social accountability standard certifying organisations for adhering to ethical labour practices, including fair wages, safe working conditions, and respect for workers' rights.

Social & Labour Convergence Program (SLCP): A collaborative initiative aimed at improving the effectiveness and efficiency of social and labour assessments in global supply chains.

SUPPLIER CODE OF CONDUCT

Our supplier code of conduct outlines the ethical standards and expectations that suppliers must adhere to, including requirements related to labour rights, fair wages, working conditions, environmental protection, and business integrity. Suppliers are required to sign and adhere to this code as a condition of doing business with us. By upholding these standards, we ensure that our supply chain operates with integrity, transparency, and a strong commitment to sustainable practices.

PERFORMANCE REVIEW

BUSINESS SUSTAINABILITY

BY EMBEDDING THE VALUES OF SUSTAINABLE FASHION, ENVIRONMENTAL STEWARDSHIP, AND SOCIAL RESPONSIBILITY INTO OUR BRANDS, WE POSITIVELY IMPACT OUR COMMUNITIES AND FOSTER LONG-TERM BUSINESS GROWTH.

SUSTAINABLE FASHION

CUSTOMERS ARE ACTIVELY EMBRACING BRANDS THAT TREAD OUR PLANET LIGHTLY. BY PROMOTING THE USE OF ECO-FRIENDLY MATERIALS AND RESPONSIBLE MANUFACTURING TECHNIQUES, OUR BRANDS ARE CRAFTING THE FASHION OF THE FUTURE.

INNOVATIVE ECO-FRIENDLY MATERIALS

Our dedication to sustainability is evident in the use of organic cotton and recycled polyester fabrics for our denim products. By sourcing recycled polyester threads made from post-consumer plastic bottles, we divert waste from landfills and reduce the demand for virgin polyester.

SUSTAINABLE PACKAGING SOLUTIONS

To minimise the environmental impact of our packaging, we have partnered with ECO365 to use compostable polybags. These bags decompose naturally, offering a sustainable alternative to traditional plastic packaging.

RAISING AWARENESS WITH SUSTAINABILITY TAGS

To effectively communicate our commitment to sustainability, we have implemented sustainability tags on our products. These tags inform consumers about the eco-friendly attributes of our garments, such as the use of organic cotton or recycled polyester, and detail our energy-efficient production methods and ethical labour practices. By displaying these tags prominently, we aim to empower consumers to make informed choices and support environmentally conscious fashion.

CIRCULAR ECONOMY INITIATIVES

We have taken significant steps toward promoting circular economy principles, particularly in minimising waste and resource consumption. In a strategic collaboration with Arvind Envisol, we have embarked on an Extended Producer Responsibility (EPR) process aimed specifically at recycling LDPE (Low-Density Polyethylene) and PET (Polyethylene Terephthalate) waste generated by packaging materials.

Further, through our collaboration with Plastics for Change, we are championing the use of 100% recycled PET for our collar traveller and butterfly products. This plastic is sourced from waste pickers in underserved communities, thus providing economic opportunities while addressing plastic pollution.

160 MT

Recycled PET used for collar traveller and butterfly products in FY 2024

342 MT

Packaging waste recycled in FY 2024

ENVIRONMENTAL PROTECTION

OUR COMMITMENT TO ENVIRONMENTAL PROTECTION IS WOVEN INTO THE VERY FABRIC OF OUR OPERATIONS, DEMONSTRATING THAT EXCELLENCE IN FASHION CAN GO HAND-IN-HAND WITH SUSTAINABILITY OF OUR PLANET.

UTILISATION OF SOLAR ENERGY

As part of our dedicated effort to decrease reliance on fossil fuels and combat climate change, we have prioritised investments in renewable energy sources and other green technologies. In our corporate office, we have implemented a Power Purchase Agreement (PPA) to procure solar energy, allowing us to leverage clean and sustainable power sources. Additionally, rooftop solar panels have been installed in our warehouse facilities to power our operations, significantly reducing greenhouse gas emissions associated with conventional electricity consumption.

ENERGY EFFICIENCY MEASURES

In our quest to optimise energy usage, we have introduced motion sensor lights in our warehouse premises. These lights automatically adjust illumination levels based on occupancy, reducing electricity consumption by up to 30%. This initiative also enhances our operational sustainability and cost-effectiveness.

ADOPTION OF SUSTAINABLE PACKAGING

Within our warehouse operations, we have implemented the use of polypropylene (PP) carton boxes as an alternative to virgin cardboard boxes. PP carton boxes offer a durable and reusable packaging solution, thereby minimising the need for single-use materials and reducing waste generation. This initiative not only conserves natural resources but also promotes circular economy principles by extending the lifespan of packaging materials.

WASTE MANAGEMENT

We have implemented comprehensive waste management initiatives to reduce waste generation and promote recycling and reuse. This includes segregating and recycling waste materials such as paper, cardboard, and plastic. 100% of waste generated from our warehouses is recycled by state government-authorised recyclers. By diverting waste from landfills and promoting circular economy principles, we remain focussed on conserving natural resources and minimise environmental pollution.

100%

Waste recycled of our warehouses

WATER CONSERVATION

Arvind Fashions has implemented water conservation measures across its facilities. This includes the adoption of water-saving technologies such as advanced wastewater treatment systems, water recycling and reuse processes, and water-efficient production techniques. By minimising water consumption and reducing wastewater discharge, the company helps preserve freshwater resources and mitigate water pollution.

CORPORATE SOCIAL RESPONSIBILITY

OUR CSR PHILOSOPHY CENTRES AROUND CONTRIBUTING POSITIVELY TO LOCAL COMMUNITIES THROUGH SOCIAL WELFARE INITIATIVES.

Our commitment to social advancement is channelled through the Strategic Help Alliance to Relief Distressed Areas (SHARDA) Trust. We leverage the diverse talents of our employees to fulfil our CSR vision, ensuring that their skills contribute meaningfully to our initiatives. Our project areas encompass supporting government school children, providing scholarships for higher education, and undertaking projects in areas surrounding our Company's operations.

LEADERSHIP AND GOVERNANCE

OUR GOVERNANCE STRUCTURE

OUR GOVERNANCE STRUCTURE

Governance Framework: Outline the governance structure, including boards, committees, and executive management teams responsible for strategic decisions and oversight.

Board composition: Diversity of skills, capabilities, age and backgrounds among the Directors. Independent & Non Independent Director breakup, etc.

Roles and Responsibilities: Detail the composition, roles, and responsibilities of the Board, including how it provides oversight, sets strategic direction, and ensures ethical conduct.

Committees: Explain the function and scope of key committees, including their role in governance, oversight, and advising the board.

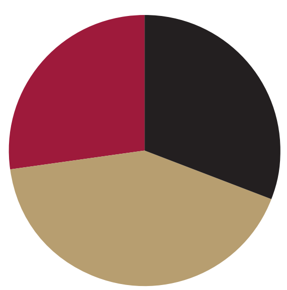
Ethics and Compliance: Highlight the organisation's commitment to ethical practices and integrity, and the systems in place for ensuring compliance.

Governance Framework

Ultimate decision-making authority lies with Board of Directors for approving corporate strategy and major initiatives, providing oversight on financial performance and risk management and are supported by various Committees constituted by the Board for recommending their decisions on the specific duties as assigned by the Board.

Name	Designation
Mr. Sanjay Lalbhai	Chairman
Mr. Kulin Sanjay Lalbhai	Non-Executive Director
Mr. Punit Sanjay Lalbhai	Non-Executive Director
Mr. Shailesh Chaturvedi	Managing Director & CEO
Mr. Suresh Jayaraman	Non-Executive Director
Ms. Nithya Easwaran	Non-Executive Director
Mr. Nagesh Pinge	Independent Director
Mr. Nilesh Shah	Independent Director
Mr. Manoj Nakra	Independent Director
Mr. Achal Bakeri	Independent Director
Ms. Ananya Tripathi	Independent Director
Mr. Govind Shrikhande	Independent Director

Average Age

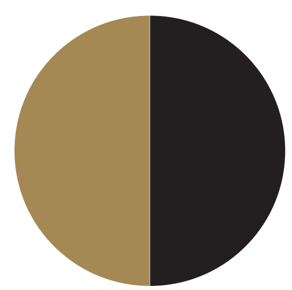


56
Executive Directors

59
Independent Directors

53.4
Non-Independent Directors

Board Independence



50%
Independent Directors

50%
Non-Independent Directors

AUDIT COMMITTEE

Name	Designation	Category
Mr. Nagesh Pinge	Chairman	Independent Director
Mr. Nilesh Shah	Member	Independent Director
Ms. Nithya Easwaran	Member	Non-Executive Director
Ms. Ananya Tripathi	Member	Independent Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Designation	Category
Mr. Nilesh Shah	Chairman	Independent Director
Mr. Achal Bakeri	Member	Independent Director
Ms. Nithya Easwaran	Member	Non-Executive Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name	Designation	Category
Mr. Kulin Sanjay Lalbhai	Chairman	Non-Executive Director
Mr. Nilesh Shah	Member	Independent Director
Ms. Nithya Easwaran	Member	Non-Executive Director
Mr. Govind Shrikhande	Member	Independent Director

RISK MANAGEMENT COMMITTEE

Name	Designation	Category
Mr. Suresh Jayaraman	Chairman	Non-Executive Director
Mr. Nagesh Pinge	Member	Independent Director
Mr. Nilesh Shah	Member	Independent Director
Ms. Nithya Easwaran	Member	Non-Executive Director
Ms. Ananya Tripathi	Member	Independent Director
Mr. Shailesh Chaturvedi	Member	Executive Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name	Designation	Category
Mr. Kulin Sanjay Lalbhai	Chairman	Non-Executive Director
Mr. Nilesh Shah	Member	Independent Director
Mr. Punit Sanjay Lalbhai	Member	Non-Executive Director

The roles and responsibilities of the Board includes –

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
- Monitoring the effectiveness of the Company's governance practices and making changes as needed and overseeing the process of disclosure and communications.
- Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
- Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
- Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- Monitoring and reviewing board of directors' evaluation framework.
- Members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
- The board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.
- The board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- The board of directors shall exercise objective independent judgement on corporate affairs.
- When committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
- The board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of board of directors.

ETHICS AND COMPLIANCE:

Ethical practices and integrity are the foundational principles of our Company which guides us in conducting business responsibly, treating stakeholders equally and upholding moral values of the organisation. The Audit Committee of the Company had separately formed ethics committee ("Committee") to look after the matters concerning disciplinary complaint, whistle blower complaint, code of conduct complaint. The Committee consist of following members –

1. Mr. Girdhar Kumar Chitlangia – Chairman
2. Mr. Asim Jagdale – Member
3. Mr. Anurag Pandey – Member
4. Mr. Mallikarjuna Yarabolu – Member
5. Mr. Ankit Arora – Member

The Committee is solely responsible to ensure compliances involving implementation of various systems and measures to monitor, enforce and promote ethical behaviour throughout the Company. The Company has formulated separate policy on ethics and department wise training programme is also scheduled for FY 2025.

The Board of Directors in its meeting had formulated and approved following policies which provides for guidance in managing the affairs of the Company in ethical manner –

1. **Code of conduct for the Board of Directors and Senior Management Personnel** – The intention of the Code is to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the company in an ethical manner, recognise and emphasise upon the ethical behaviour and to develop a culture of honesty and accountability. The guiding principles in the code includes –
   - Prudent conduct and behaviour;
   - Avoidance of appropriating corporate business opportunities for themselves;
   - Using Company property or information or their position for personal gain;
   - Disclosure of conflict of interest;
   - Maintenance of the confidentiality of information entrusted to them in carrying out their duties and responsibilities;
   - Encouraging reporting of illegal and unethical behaviour.

2. **Whistle Blower Policy** – The Policy provides a framework and avenue for all directors, employees, business associates and other stakeholders which are a part of the business ecosystem of the Company and its group for reporting, in good faith, instances of unethical/improper conduct viz. breach of internal compliance requirements, Bribery and corruption, procurement and tendering fraud, Misappropriation/theft/embezzlement of Company assets, False invoicing, Fraudulent financial accounting, auditing and reporting, Health, safety, environment and security related, Workplace harassment, Discrimination and favouritism, Non-compliance/breach of legal and regulatory requirements, etc. in the Company and commitment in adhering to the standards of ethical, moral and fair business practices.

   The above suspected unethical practices are to be reported through ethics hotline and online reporting system.

   The guiding principles of the policy includes –
   - Ensure that the Whistle blower and/or the person processing the Protected Disclosure is not victimised for doing so and is adequately protected against any such incident;
   - Treat victimisation as a serious matter including initiating disciplinary action on such person(s);
   - Ensure complete confidentiality;
   - Not attempt to conceal evidence of the Protected Disclosure;
   - Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
   - Provide an opportunity of being heard to the persons involved especially to the Subject;

   Any such viable instances reported to be Company are placed before the Audit Committee in the next meeting along with the status on the investigation and disciplinary action taken, if any.

3. **Outsource vendor management policy** – The policy provides a framework for engagement, management and disengagement of vendor. The guiding principles of the policy includes –
   - Factors to be considered while selection of vendor;
   - Signing of service agreement with the vendor and obtaining a 'compliance certificate' w.r.t adherence to the relevant statutory regulations, applicable to the Company;
   - Empanelment process check/Audits;
   - Renewal and/or closure of contract.

   Major chunk of responsibility lies with outsourcing and human resource team for onboarding of vendor with ethical practices. Extending ethical standards to suppliers, partners, and stakeholders ensures consistency in ethical practices across the supply chain.

LEADERSHIP AND GOVERNANCE

BOARD OF DIRECTORS

Mr. Sanjay Lalbhai

Chairman & Non-Executive Director

Mr. Sanjay Lalbhai is the Chairman and Managing Director of Arvind Ltd., a 1.3 Billion Dollar Indian conglomerate. Over the last four decades, he has led the transformation of Arvind from a traditional textile mill into one of the world's leading manufacturers of denims, fine woven fabrics, and apparel solutions. He laid the foundations for the branded apparel business by bringing India's initial brands Flying Machine and Arrow, and opening Exclusive Brand Outlets. He believes that addressing societal concerns and creating long lasting benefit to society is integral to the business strategy and a duty of every business leader. He provides strategic leadership to SHARDA Trust, the CSR arm of Arvind. Mr. Lalbhai is an MBA from Jamnalal Bajaj Institute.

Mr. Shailesh Chaturvedi

Managing Director & CEO

Mr. Shailesh Chaturvedi is one of Arvind's strongest leaders who has successfully led several of our brands over the last 17 years. He joined Arvind in 2006 to lead our Tommy Hilfiger JV. Over the past 17 years, he has made Tommy one of the most admired and aspirational brands in the country. He also took over the Calvin Klein brand in FY 2018 and has scripted a strong turnaround of the business. Shailesh is a proven leader in the apparel space with a total career that spans more than 30 years in leadership roles in Madura Coats, UCB and then Arvind. His deep expertise in working with international brands gives him a unique insight into global best practices and trends. Before his long stint in building the bridge to luxury brand portfolio for Arvind, he has worked extensively in the mass premium men's wear segment as well.

Mr. Kulin Lalbhai

Vice Chairman and Non-Executive Director

Mr. Kulin Lalbhai is the Vice Chairman & Non-Executive Director at Arvind Fashions and Executive Director at Arvind Limited. He is driving the consumer and digital businesses at Arvind which includes Arvind Fashions, real estate and telecom. He has been instrumental in setting up several new retail concepts for the Group and involved with expanding the brand portfolio of Arvind Fashions and also its foray into footwear. He has been closely involved in the Group's foray into real estate. Kulin holds an MBA from the Harvard Business School, and a BSc in Electrical Engineering from the Stanford University. Prior to his current role, he has also been a management consultant at Mckinsey & Co.

Mr. Punit Sanjay Lalbhai

Non-Executive Director

Mr. Punit Lalbhai is the Vice Chairman and Executive Director of Arvind Limited and leads Arvind's Advanced Materials, Textile, Technical Textile, Engineering, Environmental and Agribusinesses. He has also been involved with the growth of Anup Engineering – a capital goods manufacturing company and that of Arvind Envisol – an up-and-coming waste-water treatment company. He also spearheads initiatives in sustainability, CSR, and Innovation at Arvind. He has an MBA from INSEAD and a Masters of Environmental Science from Yale University.

Ms. Nithya Easwaran

Non-Executive Director

Ms. Nithya Easwaran has over 25 years of rich experience in financial services. She is Managing Director of Multiples Alternate Asset Management, a private equity platform. Prior to joining Multiples Alternate Asset Management, she headed the Structured Finance Team of Citibank in India and before that she was a part of the structured finance business of ICICI Ltd.

Mr. Suresh Jayaraman

Non-Executive Director

Mr. Suresh has over 30 years of experience in the FMCG, Lifestyle Brands & Retail industries. This included an 18-year stint at Hindustan Unilever Limited, where he headed the Sales Operations of the beverages business and was a management committee member of the Foods & Beverages business between 1999 and 2002. After HUL, he joined MTR Foods Ltd as its Chief Executive Officer and turned a regional brand into a national and global brand. He is an engineering graduate and has a Master's degree in Business Administration from Indian Institute of Management, Bangalore.

LEADERSHIP AND GOVERNANCE

Mr. Nilesh Shah

Non-Executive Independent Director

Mr. Nilesh Shah is the Managing Director (MD) of Kotak Mahindra Asset Management Co. Ltd. He has over 30 years of experience in capital markets and market-related investments, having managed funds across equity, fixed income securities and real estate for local and global investors. He has also held leadership roles with Axis Capital, ICICI Prudential Asset Management, Franklin Templeton and ICICI Securities. Kotak, Franklin Templeton and ICICI Prudential Mutual Fund has received many awards including the best fund house of the year award under his leadership. Mr. Nilesh Shah is a gold medalist chartered accountant and a merit ranking cost accountant. Mr. Nilesh Shah has co-authored book on Financial Planning called A Direct Take.

Ms. Ananya Tripathi

Non-Executive Independent Director

Ms. Ananya Tripathi is currently the CEO of White hat Jr. White hat Jr is an ed-tech Company serving online live tutoring classes to 2,50,000+ students globally and has presence across US, Brazil, Mexico, UK, Australia and India. Her past experience includes - Managing Director at KKR Capstone from January 2019 till March 2022 and Chief Category & Strategy Officer at Myntra from 2015 till 2018. She has also been a junior partner at McKinsey. Ananya is a Computer Engineer (Gold Medallist) from AIT, Pune University and has an MBA (Gold Medallist) from IIM Kozhikode. Her expertise and experience are in business strategy, business analysis, management consulting, competitive analysis etc.

Mr. Achal Bakeri

Non-Executive Independent Director

Mr. Achal Bakeri is the Chairman and Managing Director of Symphony Limited. He leads the management of critical organisational functions such as corporate strategy, international growth opportunities and people development. He is an Architect and has studied Master of Business Administration from University of Southern California. Mr. Bakeri has 32 years of experience in varied fields, including construction, exports, manufacturing and design development. Under his guidance and leadership, Symphony has established its position as the largest manufacturer of air coolers in the world.

Mr. Nagesh Pinge

Non-Executive Independent Director

Mr. Nagesh Pinge is an Expert in Ethics, Corporate Governance, Risk Management and Internal Audit. He is a Chartered Accountant and Law Graduate from India. He has also completed Executive Education Program from The Stephen M Ross School of Business of the University of Michigan, USA. In a career spanning 35 years, he has worked with many organisations of repute like Tata Motors as Chief-Internal Audit, Risk Management and Ethics. Prior to that he has also served Reliance Retail Ltd, JSW Steel Ltd. and ICICI Bank and its Group Companies. He is an Independent Director in many reputed Companies. He is a past President of the Institute of Internal Auditors, India.

Mr. Manoj Nakra

Non-Executive Independent Director

Mr. Manoj Nakra is a co-founder of SCIP, a SaaS platform company. Before reinventing himself in technology, He led the creation and implementation of many global luxury and lifestyle brands in the Middle East and India. He engages with retailers for their digitalisation. He has held CEO positions at The Waterbase Limited and Jashanmal (Retailer in UAE), COO position at DubaiSME (Entrepreneur Development Organisation of Government of Dubai) and CXO position Apparel Group (Retailer in UAE). Manoj is a Mechanical Engineer (IIT Delhi), has an MBA (IIM, Bangalore), and a DBA (Case Western, USA).

Mr. Govind Shrikhande

Non-Executive Independent Director

Mr. Govind Shrikhande is the former Managing Director of Shoppers Stop. He is Retail professional with a degree in Textile Technology (B. Text) from VJTI Mumbai and Masters in Marketing (MBA) from Symbiosis Institute of Management. He has work experience of 38 years in the entire chain of Fabrics to Apparel to Multi-Format Retailing including Department Stores, Hypermarket, Airport Retail, Beauty, Home, Books & Music etc. across Marquee Companies like Mafatlal, Johnson & Johnson, Arvind, Bombay Dyeing & Shoppers Stop.

LEADERSHIP AND GOVERNANCE

LEADERSHIP TEAM

Mr. Shailesh Chaturvedi

Managing Director & CEO

Mr. Shailesh Chaturvedi is one of Arvind's strongest leaders who has successfully led several of our brands over the last 15 years. Mr. Shailesh Chaturvedi joined Arvind in 2006 to lead our Tommy Hilfiger JV. Over the past 15 years, he has made Tommy one of the most admired and aspirational brands in the country. He also took over the Calvin Klein brand in FY 2018 and has scripted a strong turnaround of the business. Most recently he took over the Arrow business in FY 2019 and is currently working on a plan to energise and reinvigorate the franchise. Shailesh is a proven leader in the apparel space with a total career that spans 28 years in leadership roles in Madura Coats, UCB and then Arvind. His deep expertise in working with international brands gives him a unique insight into global best practices and trends. Before his long stint in building the bridge to luxury brand portfolio for Arvind he has worked extensively in the mass premium men's wear segment as well.

Mr. Anand Iyer

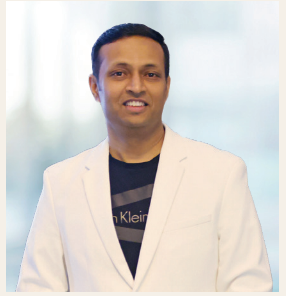
CEO – Arrow

Mr. Anand Aiyer is the CEO of Arrow at Arvind Fashions Ltd. He has over 24+ years of rich experience in fashion brands and retail business. Over his long tenure he has launched, built and scaled successful fashion & retail businesses. Prior to joining Arvind, Anand was the President and CEO of Easybuy - Division of Max Retail, Lifestyle International (P) Limited, part of the Landmark Group. As CEO of Easybuy, he was instrumental in building and scaling the Easybuy business. Prior to Easybuy, Anand has held pivotal positions in Louis Philippe, part of Aditya Birla Fashion & Retail Limited. Few of his key achievements in Louis Philippe were building and scaling the sub-brands LP Sport, LP Jeans and Luxure. He has also held key positions and built businesses of Classic Polo and Trigger Jeans (Div. of KG Denim Limited).

Mr. Amitabh Suri

CEO – USPA

Mr. Amitabh Suri is the CEO of USPA at Arvind Fashions. An Alumni of the University of Delhi and National Institute of Fashion Technology, he has over 20 years of work experience in the fashion and lifestyle industry. Prior to joining Arvind, Amitabh was the President for Exclusive Brands & Private Labels at Shoppers Stop. He has held pivotal positions with well-renowned companies like Landmark Group, Indian Terrain Fashion and ITFL. He also handled Arrow brand as a CEO for close to 6 months.



Mr. Nitesh Kumar Kanchan

CEO - AFL Digital

Mr. Nitesh Kanchan is the CEO of NNNow.com at AFL and is responsible for strategising, building and growing the globally-renowned speciality beauty retailer. An alumni of IIT Delhi, Nitesh has over 20 years of work experience in the fashion and lifestyle industry, of which the last 7 years are with Arvind. Prior to joining Arvind, Nitesh has held pivotal positions across industries and worked with well-renowned brands like Tommy Hilfiger, Calvin Klein, Louis Philippe, Arrow, Esprit and fashion retailer Pantaloons.

Mr. Girdhar Kumar Chitlangia

CFO

Mr. Girdhar Kumar Chitlangia is a qualified chartered accountant and an experienced finance professional. In his career spanning 30 years, he has worked in leadership roles in large retail & FMCG companies both in India and abroad. He believes in making finance function a strong enabler and an effective business partner. He has led his function with multiple tech interventions which resulted in significant improvement in efficiencies.

Prior to joining our Company, he has worked with More Retail Limited, Coca-Cola Company and Super Max World.

He has attended top business schools like Harvard and Oxford and has been bestowed with many awards notable among these CA-CFO award by the Institute of Chartered Accountants of India, Exceptional Contributor at the Aditya Birla Group and also top 100 CFO's by the CFO magazine.

Mr. Rajat Arora

Senior VP – Supply Chain

Mr. Rajat Arora is Senior Vice President - Supply Chain at Arvind Fashions Ltd. and responsible for end-to-end Supply Chain Operations and Strategy. An alumni of NIFT-New Delhi, Rajat has over 22 years of experience in managing diverse supply chains across Fashion, Consumer Durables and FMCG sectors. He has held operations leadership roles at Aditya Birla Fashion & Retail, VIP Industries Ltd. and Pidilite Industries Ltd.

LEADERSHIP AND GOVERNANCE

Mr. Anurag Pandey

CEO – Footwear Business Division

Mr. Anurag Pandey is the CEO of Footwear business division at Arvind Fashions Ltd and is responsible for strategising, building and growing the footwear & accessories business for group brands ((U.S. Polo Assn., Arrow, Flying Machine, Cole Haan). Anurag has over 20 years of experience in the fashion & lifestyle industry. Prior to joining Arvind in 2018, Anurag invested over a decade in building & scaling successful footwear brands, holding pivotal positions and worked with well-renowned companies / brands like Hush Puppies, Bata India, ALDO India, Aditya Birla Fashion etc. Anurag joined Arvind Fashions in 2018.

Mr. Nidhi Raj

CEO – Flying Machine

Mr. Nidhi Raj is the CEO of Flying Machine at Arvind Youth Brands Pvt Ltd. An Alumni of National Institute of Fashion Technology, he has over 21 yrs of rich experience in the fashion and lifestyle industry. Nidhi Raj, a fashion design graduate has held various leadership positions in design, visual merchandising, sourcing and product management during his long stints in Colorplus and ABFRL. He was working as Brand Head, Peter England - Girls & Boys before joining Flying Machine in 2021.

Mr. Lal Sudhakaran

CSO – Arvind Fashions

Mr. Lal Sudhakaran is the Chief Sourcing Officer at Arvind Fashions. An Alumni of College of Engineering, Trivandrum, and Mumbai University, he has over 29 years of experience in Strategic Planning, Supply Chain Management, Manufacturing, and Operations. Prior to joining Arvind, Lal was President of Supply Chain Management, Cluster Development, and ESG with Fabindia Limited. He has held pivotal positions in well-renowned companies like Gokaldas Exports Limited, Aditya Birla Fashion and Retail Limited and more.

Mr. Mallikarjuna Yarabolu

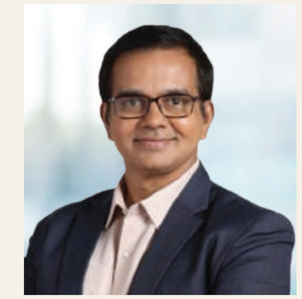
CRO – Arvind Fashions

Mr. Mallikarjuna Reddy Yarabolu is the Chief Revenue Officer at Arvind Fashions. An alumni of Dr. MGR Engineering College, Nirma Institute of Management and INSEAD Business School, France, he has over 20 years of experience in Retail Sales, Marketing, Merchandising, and much more in both Fashion Retail and FMCG. Prior to joining Arvind, Mallikarjuna was the Business Manager of Nestle India. He has held pivotal positions in well-renowned companies like Retail One, Aditya Birla Group, Wal-Mart Stores, Godrej Agrovet, Vedanta Resources and more.

Mr. Asim Jagdale

CHRO – Arvind Fashions

Mr. Asim Jagdale is the Chief Human Resources Officer at Arvind Fashions Ltd. Asim is an alumnus of XLRI Jamshedpur and has over 15 years of experience in human resource management in diverse sectors like FMCG and Semiconductors. He started his career at Asian Paints Ltd., where he worked in various domains of HR, including Sales HR, Learning and Development, Compensation, and International Business HR. Before joining Arvind Fashions in 2023, Asim was working with Texas Instruments as a Business HR Manager and Head of Talent Acquisition.



Mr. Satish Panchapakesan

CIO – Arvind Fashions

Mr. Satish Panchapakesan is 27 years in the Retail Industry. He has led large transformations for Retailers globally and in India in Consulting and Software Delivery leadership roles. He started his career with Hindustan Unilever. He leads the Information Technology function at Arvind Fashions since 2020. Satish has completed his Masters in Operations Research and Systems from Indian Institute of Science and has a Bachelor Degree in Mechanical Engineering from Bangalore University.

CORPORATE INFORMATION

Chief Financial Officer
Mr. Girdhar Kumar Chitlangia

Company Secretary & Compliance Officer
Ms. Lipi Jha

Bankers to the Company
Bank of Baroda
HDFC Bank Limited
ICICI Bank
IndusInd Bank
IDFC First Bank Limited
Kotak Mahindra Bank
RBL Bank Limited
State Bank of India
Yes Bank

Statutory Auditors
M/s. Deloitte Haskins & Sells
19th Floor, Shapath-V, S.G. Highway,
Ahmedabad, Gujarat – 380015
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Registrar & Transfer Agent
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MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL MARKET

Globally, fiscal year 2024 started with significant concerns on multiple fronts including war, inflation, recession, supply chains, and labour markets, however, the year has witnessed much lesser impact than expected. Inflation receded in most major economies, recession was mostly avoided, supply chain disruption eased considerably, and labour markets remained historically tight.

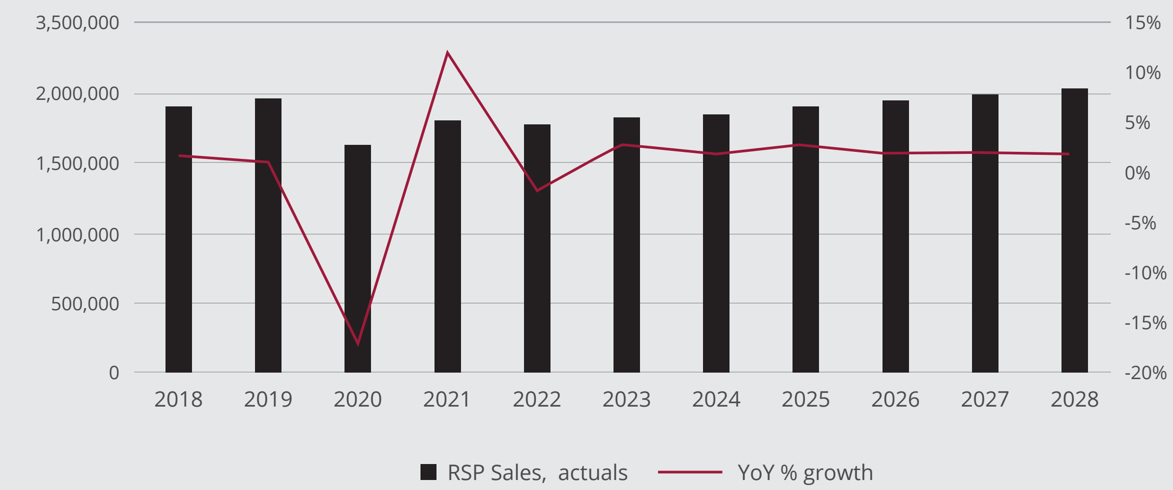
Now, as we stand in 2024, major central banks appear on the verge of loosening monetary policy, confident that inflation is largely beaten. Although the global economy has slowed, the outlook is somewhat more benign than anticipated. But new problems emerged over the past year. The Russia-Ukraine conflict continues, there is a new war and crisis in the Middle East, tensions between the world's two largest economies remain significant, and patterns of trade and cross-border investment are shifting.

As a result of the above, the global apparel market witnessed challenges in terms of demand during FY 2024. After the pandemic revealed the limits and risks of global fashion supply chains with an overreliance on China, the all-time high inflation seen since 2022 worsened the situation. Not only brands and retailers felt the pressure of the increasing cost of goods sold (COGS), but they also refrained from passing all these costs to consumers whose budgets were being squeezed. Even if the COGS somewhat normalised in the last quarter of CY 2023, the security crisis in the Red Sea is further disrupting supply chains and inflation as the costs of international shipments rise. In the short term, this poses another pricing conundrum for fashion players, which have already had to contend with costs rising much quicker than the amount they can pass on within consumer pricing. In the longer term, geopolitical tensions will further drive supply chain shifts, which have accelerated since the pandemic.

Emerging trends in Global Apparel and Footwear in 2024 and beyond

In 2024, global sales of apparel and footwear are set to experience moderate growth of approximately 2% in constant terms, and expected to recover to pre-pandemic levels by late 2025 or early 2026. The impact of inflation remains persistent and will translate into cautious discretionary spending levels as the baseline forecast global inflation remains above central banks targets, meaning high interest rates are likely to stay and will continue squeezing consumers disposable incomes.

APPAREL AND FOOTWEAR: GLOBAL SALES 2018-2028
(USD millions, fixed exchange rate 2023, constant terms)



Source: Euromonitor International, Apparel & Footwear Edition 2024

India, China and the US will continue to be top contributors to global sales, but there is also a growing number of international players seeking to invest in new pockets of growth in Southeast Asia, such as Thailand and Indonesia; Latin America, including Mexico and Brazil; and in the Middle East and African regions, such as the United Arab Emirates and Saudi Arabia, to boost their revenue prospects and diversify their geographic portfolios.

With 32% global sales of apparel and footwear taking place online, the digital transformation continues, albeit at a slower pace than during the pandemic. However, consumers demand the best of both worlds, and delivering a convenient, personalised experience can help win their favour in a saturated digital environment. GenAI and technology can help boost conversion rates and reduce returns by delivering these personal experiences due to offering of a more fluid or visual shopping experience, such as the Google Virtual Try-On tool or instant product recommendations, including those by Indian ecommerce giant Myntra, which is integrating ChatGPT as part of its platforms.

To conclude, the market environment remains extremely challenging for fashion players in 2024, but there are pockets of growth and companies that are able to demonstrate and communicate their value to consumers through tailored product offerings and services will fare better than others. In this quest, it will be critical to invest in the right technology that can support more localised and personalised offerings.

Indian economy overview

India has bounced back strongly since the pandemic and it is now one of the world's fastest-growing economies. The country's remarkable GDP growth rate of 8.4% in the third quarter of the fiscal year 2024 surpassed all expectations. The biggest boost to growth came from a rebound in the industrial sector — auto sales, industrial production and corporate profits pointed to resilient performance.

On the demand side, investment and government spending supported growth. Investment data pointed to rising private capex spending. Part of the strong growth in government spending could be attributed to base effects, but the frontloading of government capex also remained a big contributor.

Domestic economic activity continues to expand at an accelerated pace, supported by fixed investment and improving global environment. The second advance estimates (SAE) placed real GDP growth at 7.6% for 2023-24, the third successive year of 7% or higher growth. With rural demand catching up, consumption is expected to support economic growth in 2024-25.

For a sustainable growth trajectory in the long term, bringing more manufacturing opportunities to India, increasing digital adoption across all sectors of the economy, and promoting competitiveness through exports will be important. India will have to leverage its proximity to a sizeable domestic market to increase the scale and scope of economies where it has a competitive advantage. To secure inclusive and widespread growth, it will be necessary to capitalise on the growing environment for trade and investment opportunities by stepping up technological transformation, strengthening governance, and working towards attaining decarbonisation targets for sustainability.

Source: RBI April 2024 Bulletin

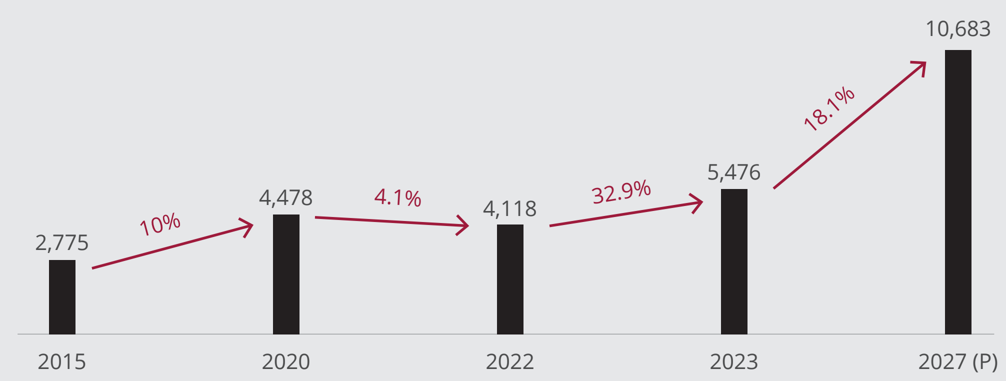
Indian Retail overview

Retail Market: Retail Market in India was valued at ₹ 36,880 Bn (USD 461 Bn) in FY 2015 and reached a value of ₹ 59,680 Bn (USD 746 Bn) in FY 2020, growing at 10.1% CAGR over this period. The market was valued at ₹ 76,080 Bn (USD 951 Bn) in FY 2023 and is projected to grow at a CAGR of 10.4% to reach ₹ 1,13,360 Bn (USD 1,418 Bn) by FY 2027.

Apparel Market: The apparel and accessories market in India was estimated at ~₹ 5,512 Bn as of FY 2023 and was one of the largest segments of the Indian retail sector. The share of Apparel & Accessories in overall retail is expected to reach 9.4% in 2027 from 7.2% in FY 2023, and 6.1% in FY 2022. Apparel and Accessories is also expected to be the fastest growing sector in the retail basket, with an estimated CAGR of 20.8% from FY 2023-27.

Category	FY 2015	FY 2020	FY 2022	FY 2023	FY 2027 (P)	CAGR (FY 2015-20)	CAGR (FY 2020-22)	CAGR (FY 2023-27)
Total Retail (₹ Bn)	36,880	59,680	67,520	76,560	1,13,360	10.1%	6.3%	10.3%
Apparel & Apparel Accessories (% of total retail)	7.5%	7.5%	6.1%	7.2%	9.4%	10.1%	-4.1%	20.8%

Source: Technopak Advisors

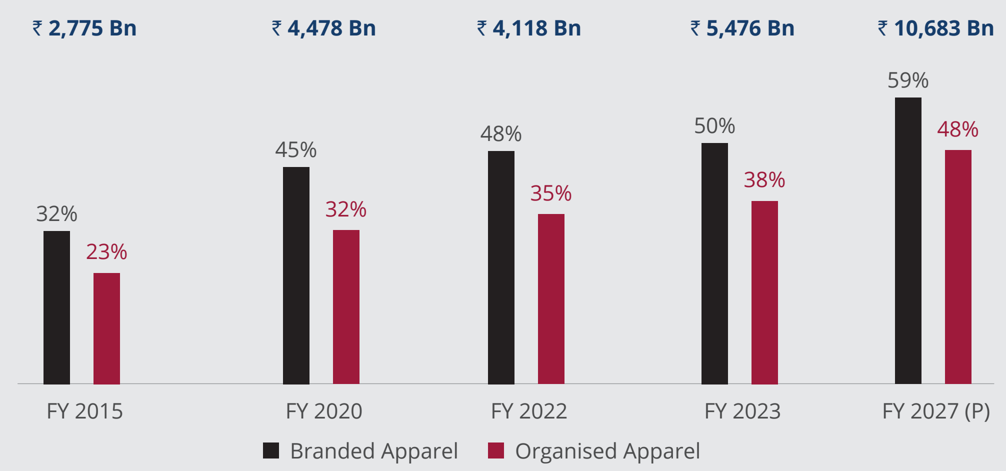


Source: Technopak Analysis. Note: Year indicates FY; Excludes accessories (Bags, Belts, Wallets etc.)

Apparel market size in India was valued at ₹ 5,476 Bn (USD 68.45 Bn) in FY 2023 and projected to grow at a CAGR of ~18% between FY 2023 and FY 2027 to reach ₹ 10,683 Bn (USD 133.5 Bn) by FY 2027 on the back of factors like higher brand consciousness, increasing digitisation, greater purchasing power and increasing urbanisation.

While the CAGR of total apparel market between FY 2023 and FY 2027 is expected to be 18.0%, the branded apparel and organised apparel retail are expected to grow at CAGR of 26.1% and 28.9% respectively in the same period, i.e., the growth of both branded apparel share and organised apparel retail share in apparel category will outpace the overall category growth.

These data points suggest the remarkable growth and potential of the Indian apparel and retail sectors. As the apparel market continues to thrive, and the retail and e-commerce industries demonstrate robust expansion, India is poised to play a significant role on the global stage. The confluence of urbanisation, rising income levels, and technological advancements positions India as a key player in shaping the future of the retail and e-commerce landscape.



Source: Technopak Analysis

Branded apparel signifies registered trademarks that are regularly patronised by customers and that are sold through both organised retail and trade channels. Organised retail signifies formal retail channels of Exclusive Brand Outlets (EBOs), Multi Brand Outlets (MBOs), Large Format Stores (LFS), E-commerce etc. Apparel retailed through these organised retail points of sales is necessarily branded. Therefore, organised share is less than the share of Branded apparel in total share.

CONSUMPTION TRENDS IN THE INDIAN FASHION INDUSTRY

The Indian consumers and their apparel preferences are constantly changing. The apparel preferences which were deeply rooted to immensity and richness of Indian culture are now aligning to more refined and globally on-trend fashion. Contemporary Indian apparel has more variations and segments today, than ever before. It is classified into formal, semi-formal, casual, active, sports, ethnic, seasonal, leisure, party wears and more. This shift is due to the plenteous exposure of Indian consumers.

The Indian consumers which comprise the largest Gen Z population in the world with a median age of 27 years are more experimental by nature and more inclusive and intermingling with different cultures and social structures. There are more youngsters having started to earn at a much younger age and hence, more inclined to spend on better and more aspirational things in life. These cultural, psychographic and behavioural changes are also reflective in their apparel consumption.

As new trends emerge in the Indian fashion industry, AFL is ready and equipped to leverage these trends by servicing the new priorities and demands of customers.

TRANSITION TO LIFESTYLE-BASED PURCHASE

The apparel market is seeing a change from need-based purchase to more of lifestyle-based purchase. Consumers today with more disposable income are more aware of growing trends, latest fashion etc. They are conscious about their image and want to dress according to the occasion. This has resulted into creation of more occasion-specific categories like Daily Casuals, Party Wear, Lounge Wear, Travel Wear apart from the traditional Wedding & Festival Wear.

AFL through its industry leading brands has expanded product lines to cater to its customer's needs for multiple occasions

WOMEN & KIDSWEAR GROWTH

The role of women in Indian families is changing with them contributing more to household income and driving higher aspirations. The transition in the lives of women has in turn positively affected the kidswear market. With change in wardrobe preferences of the women, there is a subsequent change in the wardrobe preferences for their kids also. The kidswear market, most of which is unorganised currently in India, is expected to reach >₹ 1,25,000 crore by 2024.

AFL has a leadership position in kidswear industry and has increased offering of womenswear through its marquee brands

CASUALISATION OF FASHION

India's pre-disposition towards casual wear has grown exponentially over the last few years. Categories such as polos, denim, casual shirts, sneakers etc. are growing at a much higher CAGR. The increased urbanisation, social media connectivity, growth and influence of mobile internet and increased buying propensity amongst consumers have also helped advance the casual wear market. With its easy to maintain & wear, casual dressing is becoming a more preferred lifestyle choice.

AFL stands to significantly gain from its pivot towards getting strong international casual wear brands to India, much ahead of its peers in the industry

MULTI-CHANNEL OUTREACH

The entire landscape of consumer's preferred way of buying has changed over the last many years. It involves using different channels like brick & mortar stores (EBOs, MBOs, LFS), as well as online channels. The customer can search for products on one channel and make the purchase from any other channel of their choice. One of the key advantages is that it enables brands to capture all types of footfall across different retail environments, leading to higher growth opportunities.

AFL is well-positioned through its multi-channel approach having 900+ EBOs across the country and focussed on higher retail expansion

ARVIND FASHIONS LIMITED

Arvind Fashions Ltd. (AFL) is one of India's top casual and denim players, a lifestyle powerhouse with a strong portfolio of fashion brands catering to consumers across sub-categories and price points. The Company is engaged in the business of designing, sourcing, marketing and selling branded readymade apparel, footwear, innerwear and other accessories for men, women and kids.

Offering both international and indigenous labels, the Company's family of brands include U.S. Polo Assn., Arrow, Tommy Hilfiger, Calvin Klein and Flying Machine. Epitomising innovation, quality and customer-centricity, these brands have established leading positions in their respective segments.

The Company's offerings are distributed and sold across the country through multiple distribution channels such as Exclusive Brand Outlets (EBOs), Multi-Brand Outlets (MBOs), Large Format Stores (LFS), and E-commerce platforms operated by self (Company-owned websites) as well as those operated by e-commerce marketplace players.

The Company's diversified brand portfolio combined with its multi-channel distribution helps it to maintain a balanced approach, ensuring that its operating results are not solely dependent on a single brand, category or distribution channel.

KEY STRENGTHS OF THE COMPANY'S PORTFOLIO

- Lifestyle offering across international and aspirational brands
- Wide spectrum of price points and usage occasions to cater to large consumer segments
- Distribution strength which reaches multiple cities and towns across India
- Future-ready by being digitally capable with presence across all direct-to-consumer touchpoints, e.g., own website, strong marketplace and very large e-commerce partner portal play
- Strong extensions into adjacent categories of footwear, womenswear, innerwear, kidswear and accessories across brands

U.S. POLO ASSN.

#1 Casual wear brand

FLYING MACHINE

Among top **3** Denim brands

ARROW

Among top **3** Formalwear & smart casual brands

TOMMY HILFIGER

CALVIN KLEIN

#1 & **#2** in super premium casuals

BRANDS AND PRODUCT GROUPS

The Company's brands have a strong historical performance and robust long-term growth potential, as discussed below.

U.S. Polo Assn. is one of India's largest casualwear brands with strong multi-category and multi-channel play. The brand has premiumised its men's product offerings through innovation and has expanded its kidswear and womenswear portfolios by enhancing quality and increasing assortment. Engagement with influencers and celebrities on social media has further boosted the brand's visibility and appeal. The brand remains focussed on driving product innovation, expanding its retail footprint, and strengthening adjacent categories such as footwear and innerwear. New, innovative retail formats and larger stores showcasing all product categories have been launched to further scale up the brand.

Arrow is a brand with a strong heritage value. The brand has refreshed its retail identity while driving product innovation through premiumisation and delivering a superior consumer experience. It has invested in a demand-based pull supply chain mechanism to enable automated replenishment and increase the share of sales from core products, thereby enhancing product freshness across exclusive brand outlets (EBOs) and enriching the shopping experience. Arrow plans to aggressively expand its retail footprint over the next few years to maintain its growth momentum and execute a multi-channel strategy.

Tommy Hilfiger has emerged as India's leading international premium casual wear brand. Its enduring style and appeal have captivated Indian consumers, solidifying its position as a beloved and trusted fashion icon. The brand's product portfolio spans various categories, including men's, women's, and kids' sportswear, denim, accessories, and footwear, meeting the diverse sartorial preferences of fashion enthusiasts. The brand's growth is driven by multiple factors, including category extensions such as a tailored line, product premiumisation, market expansion, and opening of stores in Tier 2 and Tier 3 cities.

Calvin Klein is India's #2 casualwear brand in the super-premium segment. The brand's strategic focus on store upgrades and the introduction of multi-category stores has enhanced retail channel productivity. By effectively communicating its identity as an ultra-chic and glamorous fashion brand, Calvin Klein continues to strengthen its appeal among its valued customers. The brand is expanding its presence in the online channel and fortifying entry-level price point products to reach a broader audience. Additionally, the accessories range, including men's and women's handbags, opens new avenues for growth.

Flying Machine is India's original jeans brand with a 40-year legacy, consistently striving to solidify its position as India's premier denim brand. The brand is boldly reinventing itself to resonate with the dynamic preferences of Gen Z consumers. From fashion-forward denim to cutting-edge accessories, each product reflects the brand's commitment to staying relevant and appealing to the younger generation.

BUSINESS PERFORMANCE AND STRATEGY

Despite a softness in consumer demand leading to modest growth, the Company's decisive focus on growing existing brands, coupled with strong cost optimisation measures, has delivered strong bottom-line performance. Enhanced controls over gross working capital and significant profitability improvements have strengthened the balance sheet and substantially improved return on capital employed (ROCE). The Company remains committed to expanding its store network (in terms of square footage) across the country. This strategy will further enable the Company to continue its journey of improved financial performance, generating value for both customers and shareholders in the coming years.

GROWTH DRIVERS

- Sharp focus on scaling marquee brands holding leadership positions in the market coupled with increased investments in advertising
- Increasing sales productivity per store through higher like-to-like growth
- Expanding retail presence across India through asset-light model
- Expanding adjacent categories like kidswear, footwear, womenswear, innerwear, and accessories by capitalising on established brand reputation
- Utilising robust omni-channel abilities to enhance growth within the online channel

PROFIT DRIVERS

- Continued focus on improving full price sell-thru
- Application of analytics-driven approach to reduce discounts
- Sharper cost control:
  - Efficiently managing fixed expenses to achieve operational advantages
  - Optimising operating costs of stores and shutting down unprofitable stores
  - Controlling overheads to drive efficiencies
- Reduction in borrowing leading to reduction in interest cost

ROCE DRIVERS

- Continued focus on efficient working capital management
- Automated replenishment of core products and agile supply chain resulting in improved inventory control
- Flexible sourcing methods to facilitate purchase of market-appropriate products in closer alignment with season launches
- Strengthened operational oversight over the inventory procurement process

Financial Performance and Analysis

Consolidated Financial Performance and Analysis (₹ crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Operations	**4,259**	**4,070**
Other Income	34	50
Total Income	**4,293**	**4,120**
EBITDA	**544**	**473**
Exceptional Items	(6)	-
Finance Costs	144	121
Depreciation	230	203
Profit Before Taxes	**164**	**149**
Tax Expense Charge/(Credit)	57	40
Profit / (Loss) After Tax for Continued Operations	**107**	**109**
Discontinued Operations	30	(22)
Profit/(Loss) Before Minority Interest (Continuing and Discontinued Operations)	**137**	**87**
Minority Interest	56	50
Net Profit/(Loss) for Equity Shareholders of Parent	**81**	**37**
Other Comprehensive Income/(Loss) (Net of Tax)	(2)	(1)
Net Profit/ (Loss) after other comprehensive income/ (loss)	**79**	**36**

Balance Sheet (₹ crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net Fixed Assets	274	259
Net Working Capital	779	671
Deferred Tax Asset	389	412
Other Current assets/ Non -Current Assets and Liabilities	304	407
Discontinued Operations (Asset less Liabilities)	(31)	-
IndAS 116 Impact		
ROU Assets	625	608
Lease Liability	(682)	(667)
Capital Employed	**1,658**	**1,690**
Networth	1,192	1,092
Debt	466	598
Capital Employed	**1,658**	**1,690**

Revenue from Operations:

The Company registered revenue from operations of ₹ 4,259.1 crore in FY 2024, compared to ₹ 4,069.5 crore in FY 2023, achieving a 5% growth despite a challenging environment. This growth was driven by a healthy retail like-for-like growth of 4% and a sharper focus on retail channel execution, leading to an improvement in the retail channel mix by over 300 basis points. Additionally, the Company's continued investments in adjacent categories such as kidswear and womenswear, as well as the online direct-to-consumer channel, contributed to this positive performance.

Other Income:

Other Income includes ₹ 7.6 crore of gain on reassessment of lease and ₹ 15.3 crore on account of interest income on financial assets and fair value of security deposit.

EBITDA:

EBITDA, or Earnings Before Interest, Depreciation, Amortisation, and Taxes, was ₹ 544.3 crore for the Company, compared to ₹ 473.3 crore in FY 2023, reflecting a 15% year-over-year growth. EBITDA margins improved by ~120 basis points, primarily driven by improvement in gross margins, higher full-price sell-thru, and cost optimisation efforts. The Company remains focussed on improving profitability in the future as well.

Finance Cost:

Finance cost includes (a) interest on borrowings of ₹ 80.3 crore and (b) interest on lease liabilities of ₹ 63.9 crore.

Depreciation:

This includes depreciation of ₹ 55.3 crore on assets invested by the Company and ₹ 174.8 crore on Right of Use (ROU) assets for leases in FY 2024.

Discontinued Operations:

The Company has, during the year, divested the Sephora India Business to Reliance Beauty & Personal Care Limited, in addition to discontinuing other dormant brands such as EdHardy and Aeropostale. Accordingly, the loss before tax relating to these discontinued businesses have been disclosed separately as discontinued operations in accordance with Ind AS 105. The profit on discontinued operations during the year was ₹ 30.5 crore (compared to loss of ₹ 22.3 crore in FY 2023).

Minority Interest:

This represents share of profits / loss pertaining to two of the subsidiary companies PVH Arvind Fashions Private Limited and Arvind Youth Brands Private Limited.

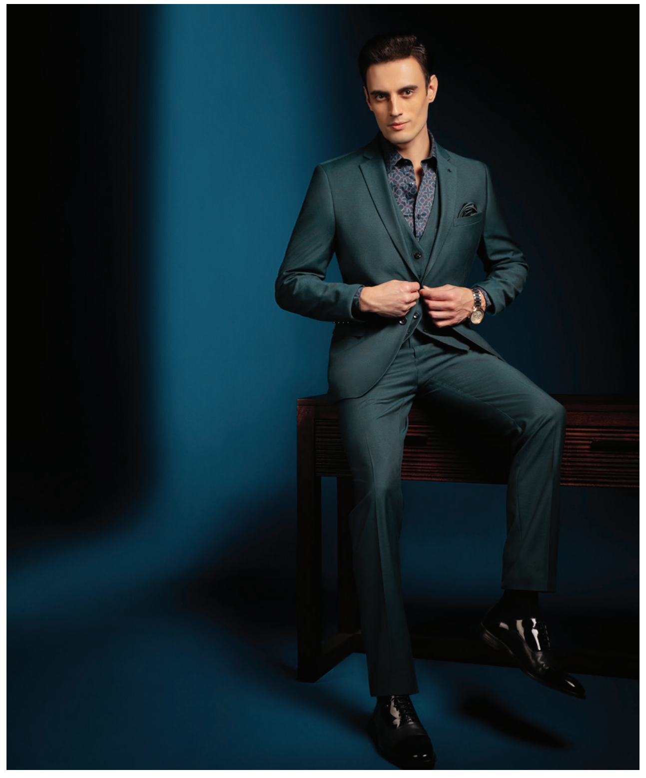
Net Working Capital:

Net Working Capital stood at ₹ 778.8 crore as on March 31, 2024 compared to ₹ 670.9 crore the previous year. The breakup of the reported figures is mentioned below.

Particulars	As on March 31, 2024	As on March 31, 2023
Inventory (Including Returnable Assets)	1,068	1,131
Trade Receivables	647	560
Less: Trade Payables	936	1,020
Net Working Capital	**779**	**671**

Debt:

Total debt for the Company reduced by ₹ 131.6 crore during the year and stood at ₹ 466.1 crore as on March 31, 2024, compared to ₹ 597.6 crore as on March 31, 2023.



Financial Ratios (on Consolidated Financial Statements)

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has identified the following key financial ratios at the consolidated level:

Particulars*	As on March 31, 2024	As on March 31, 2023
Debtors Turnover Ratio	7.06	7.19
Inventory Turnover Ratio	4.50	4.49
Interest Coverage Ratio	2.18	2.23
Current Ratio	1.27	1.20
Debt Equity Ratio	0.46	0.66
EBITDA Margin	12.78%	11.63%
Operating Profit Margin	7.38%	6.64%
Net Profit Margin	2.50%	2.68%
Return on Net Worth	26.36%	24.75%
Return on Average Capital Employed	18.77%	16.96%

* All Ratios have been worked out considering only continuing operations

The formula used for the computation of the above ratios are as follows:

Particulars*	Formula
Debtors Turnover Ratio	Revenue from Operations / Average of opening and closing Trade Receivables
Inventory Turnover Ratio	Revenue from Operations / Average of opening and closing Inventories
Interest Coverage Ratio	EBITDA less Depreciation / Finance Costs
Current Ratio	Current Assets / Current Liabilities
Debt Equity Ratio	Debt / Net Worth
EBITDA Margin	EBITDA / Revenue from Operations
Operating Profit Margin	EBITDA less Depreciation / Revenue from Operations
Net Profit Margin	Profit After Tax / Revenue from Operations
Return on Net Worth	EBITDA less Depreciation / Net Worth
Return on Average Capital Employed	EBITDA less Depreciation / Average Capital Employed

Commentary on significant changes in key financial ratios (i.e., changes of 25% or more compared to the immediately preceding financial year)

Debt Equity Ratio: There has been a significant improvement in debt-equity ratio compared to previous year. The Company has generated healthy cash flows and de-leveraged the balance sheet. Coupled with improved financial performance, this has led to higher profit after tax, resulting in an increase in the net worth of the Company.

BUSINESS OUTLOOK

With demand trends continuing to improve and the Company's decisive focus on scaling up its five brands through innovative retail formats, higher network expansion, and efficient working capital management, the Company remains optimistic about its growth and profitability prospects in FY 2025.

The Company will continue to drive product innovation to premiumise the brands, coupled with substantial investments in advertising and re-energising brand salience. The Company will maintain its focus on improving profitability through operating leverage and cost optimisation.

The Company has significant potential in scaling up adjacent categories across its brands, such as footwear, kidswear, womenswear, innerwear, and other accessories. It will accelerate its retail network expansion across the country and plans to significantly increase its sq. ft. addition in FY 2025. The Company continues to strengthen retail experience standards while implementing a multi-channel strategy to grow each of its brands.

With sharper control over working capital and lower capital expenditures on account of franchisee-led expansion, the Company expects to generate higher free cash flow, thereby further improving the return on capital employed and return on equity. The Company has significantly strengthened its position as a dominant player in the retail and apparel sector and will continue to pursue multiple growth opportunities in the medium and long term.

RISK MANAGEMENT

The success of current as well as future performance of AFL is subject to a variety of factors, including but not limited to forecasting and managing of risks and uncertainties, which are described as below:

1) **Strategic Risks –** These risks arise from the Company's strategies and objectives towards business, which could potentially risk impact long-term continuity and sustainability.

2) **Operational Risks –** The risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events, leading to potential disruptions in the smooth functioning of the business.

3) **Regulatory Risks –** Lack of a structured framework for compliance with statutory/legal laws and regulations pose risks that could affect the organisation's credibility, leading to financial implications.

The Company has a robust enterprise risk management framework that identifies potential risks, defines strategies for mitigating their impact, and establishes processes for their continuous monitoring. The Company has identified the key risks, including Strategic, Operational and Regulatory risk. Some of the identified risks and their mitigation plans are described below:

1) Strategic Risks

a) Inability to renew brand licence due to non-compliance with contractual conditions or failure to meet agreed performance parameters can seriously impact profitability. The Company regularly reviews critical performance parameters for brand licence renewal. It has established a structured framework for periodic vendor, product, and store compliance audits to ensure that there are no violations to licensee/ sub licensee obligations.

2) Operational Risks

a) High interest costs and fixed retail costs consume significant portion of the margins, thereby limiting the capability to invest in business transformation. Excess inventory build-up and delayed payments by customers could increase the need for working capital.

Significant actions have taken place in over the last few years to strengthen the balance sheet in terms of additional liquidity being available with the Company. With strengthened provisioning norms, there is a significant focus on improving the inventory turns and timely realisation of receivables, which will remain a key management focus going forward. Significant cost optimisation efforts were undertaken during FY 2024, and the Company continues to prioritise driving operational efficiencies.

b) International trade disputes or changes in government policy, especially over imports from China, may significantly disrupt the supply chain. Further, sharp fluctuations in forex rates can adversely impact the margins. The management closely monitors international trade policies to leverage competitiveness and make informed decisions when placing import orders. All pre-committed outflows are adequately hedged. The Company is also shifting focus to domestic procurements and developing capabilities to source from nearby neighboring countries such as Bangladesh, Vietnam, and Sri Lanka.

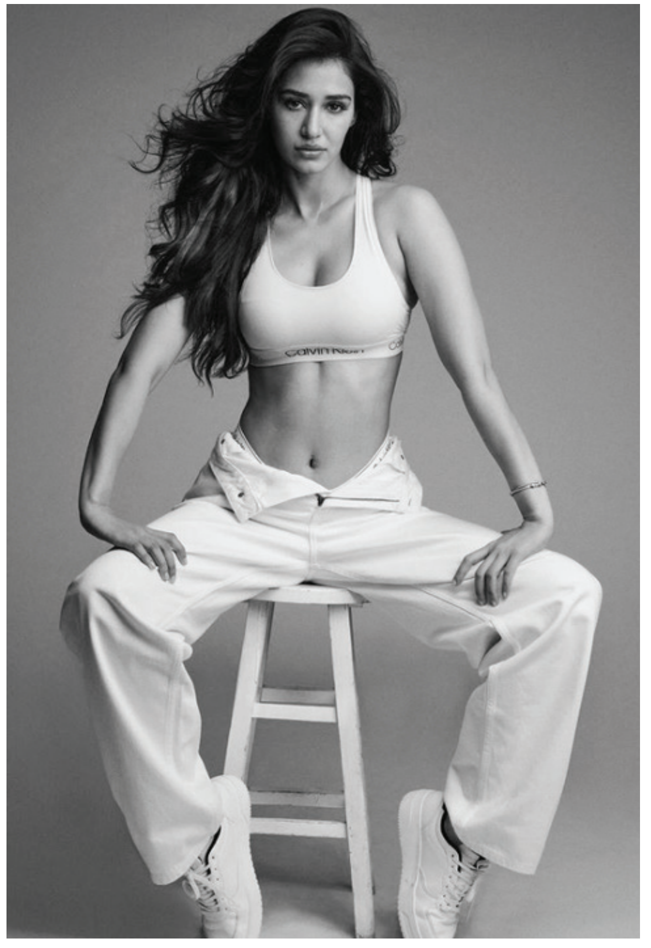
c) Inadequate digitisation and IT infrastructure can be a serious risk for the Company, both from a business perspective as well as from the perspective of finance, legal and compliance. The Company has invested significantly in upgrading its IT infrastructure over the last two years and continues to evolve in response to the changing technological landscape.

d) Counterfeit products of key brands like U.S. Polo Assn., Tommy Hilfiger, Calvin Klein, FM and Arrow pose a serious threat to the brand image, leading to the dilution of brand value. The lack of an adequate legal framework and robust mechanism to control unauthorised use of brand logos or product information, such as labels, contributes to this risk.

Continuous audits of vendors to ensure compliance, coordinated intelligence gathering on counterfeit activities in coordination with brand owners and relentless efforts in seeking the strictest actions against counterfeit producers and distributors enable the Company to check counterfeits. The Company actively engages with industry peers on brand protection strategies and building common platforms for countering counterfeit products. Additionally, the Company is evaluating changes in its approach to ensure vendors are never in possession of excess or QC-failed products, with all such inventory being handled internally by the Company.

3) Regulatory Risks

Increasing compliance requirements under governing laws and regulations in a timely manner is a continuing challenge. The Company has established a structured framework of accountability across the senior management team, supported by a third-party tool for online monitoring of compliance status across key processes.



HUMAN RESOURCE

AFL believes its people are its most important asset. The Company employs over 6,445 individuals with an average age of 29 and a gender diversity rate of 17%. This year, the Company focussed on enhancing work quality and business ease by building collaborative and progressive systems and processes.

Known for its quality work environment, autonomy, growth opportunities, and support, AFL attracts top talent across the country. DEI (Diversity, Equity, and Inclusion) initiatives are central to the Company's culture, promoting diverse backgrounds, fair treatment, and a supportive environment for all.

Employee engagement is prioritised through initiatives like "Arvind Voice" and exit surveys, fostering transparency and empowerment. Leaders connect with employees via town halls and engagement programmes to share achievements and future plans. The Company recognises outstanding performance with Retail, Value, and Spotlight awards.

Arvind University, the Company's learning and development centre, ensures continuous employee growth and skill enhancement, aligning programmes with business objectives to address skill gaps and stay agile in the evolving retail landscape.

Progressive policies like Flexi-time, Gender Neutral, Equal Employment Opportunity, Paternity & Adoption, and Crèche Services, along with professional development and career mobility opportunities, foster an environment of empowerment and engagement. Arvind Care, the Company's safety and wellness initiative, reflects a commitment to employee health and happiness, offering free health check-ups, Doctor-on-Call services, medical facilities, and a gym.

The Company remains dedicated to nurturing a workforce that thrives both personally and professionally, driving the sustained success and growth of the organisation.

CAUTIONARY STATEMENT

The Management Discussion and Analysis may contain some statements describing the Company's objectives, plans, projections, estimates, and expectations which may be 'forward-looking statements' within the meaning of applicable laws and regulations and are based on informed judgements and estimates. Actual results may differ materially from those expressed or implied.

Notice

NOTICE is hereby given that the 9th (Ninth) Annual General Meeting of the Members of Arvind Fashions Limited will be held on Monday, 19th day of August, 2024 at 11:00 A.M. (IST) through Video Conference ("VC")/ Other Audio-Visual Means ("OAVM") ("hereinafter referred to as "electronic mode") to transact the following Business:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.

2. Adoption of Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Auditors thereon.

3. To declare a Dividend on Equity Shares for the financial year ended March 31, 2024. The Board of Directors have recommended a Dividend of ₹ 1.25/- (Indian Rupee One and Point Two Five only) per fully paid-up equity shares of ₹ 4 each.

4. To appoint a Director in place of Mr. Punit Sanjay Lalbhai (DIN: 05125502), who retires by rotation and being eligible, offers himself for reappointment.

5. To appoint a Director in place of Mr. Kulin Sanjay Lalbhai (DIN: 05206878), who retires by rotation and being eligible, offers himself for reappointment.

By Order of the Board

Lipi Jha
Company Secretary
Membership No. A28147

Date: May 21, 2024
Place: Bangalore

Registered Office:
Main Building,
Arvind Limited Premises,
Naroda Road,
Ahmedabad-380025.

NOTES

1. Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022, No. 10/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (collectively referred to as ("MCA Circulars"), the Company is convening the 9th Annual General Meeting ("AGM") through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

   Further, Securities and Exchange Board of India ("SEBI"), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 7, 2023 ("SEBI Circulars") and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

   In compliance with the applicable provisions of the Companies Act, 2013 (the "Act"), the Listing Regulations and MCA Circulars, the 9th AGM of the Company is being held through VC/OAVM on Monday, the 19th day of August 2024, 11:00 A.M. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad-380025, which shall be the deemed venue of the AGM.

2. The relevant details of the Directors seeking re-appointment under Item No. 4 & 5 above, as required by Regulation 36 (3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India, are annexed hereto.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail to pcs.buchassociates@gmail.com with a copy marked to evoting@nsdl.co.in and investor.relations@arvindfashions.com. Institutional shareholders (i.e. other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter", etc. displayed under "e-Voting" tab in their login.

5. In case of joint holders attending the AGM, only such joint holder, who is higher in the order of names, will be entitled to vote.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. The Members can join the AGM through VC/OAVM 30 minutes before and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending this AGM Notice for FY24 in electronic form only to those Members whose email IDs are registered with the

Company/Depositories. The Company shall send the physical copy of the Annual Report for FY24 only to those Members who specifically request for the same at investor.relations@arvindfashions.com mentioning their Folio No/DP ID and Client ID. The Notice convening the AGM and the Annual Report for FY24 have been uploaded on the website of the Company at https://www.arvindfashions.com/ and may also be accessed from the relevant section on the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.

9. The Notice of AGM and Annual Report for FY24 will be sent to those members/ beneficial owners whose name will appear in the Register of Members/ List of Beneficiaries received from the Depositories as on Friday, the 19th day of July, 2024.

10. **Book Closure and Dividend:** The Register of Members and Share Transfer Books of the Company will remain closed from August 10, 2024 to August 19, 2024 (both days inclusive) for the purpose of payment of dividend and AGM for FY24.

11. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income-tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their Depository Participants ("DPs") or in case shares are held in physical form with the Company, by sending documents through e-mail by August 9, 2024.

12. **Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner:** Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc.

    Shares held in physical form: Members holding shares in physical form are requested to send the following details/ documents to the Company's Registrar and Transfer Agent (RTA) viz. Link Intime India Pvt. Ltd at 506 – 508, Fifth Floor, Opp. Municipal Market, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Near St. Xavier's College Corner, Off. C. G. Road, Navrangpura, Ahmedabad -380009 latest by August 8, 2024;

    a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at https://www.arvindfashions.com/wp-content/uploads/2022/01/Form-ISR-1-Request-for-registering-PAN-KYC-details-or-updation-thereof.pdf and on the website of the RTA at https://liiplweb.linkintime.co.in/KYC-downloads.html

    b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:

        i. Cancelled cheque in original;

        ii. Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.

    c) Self-attested copy of the PAN Card of all the holders; and

    d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

    Further, Members are requested to refer to process detailed on https://liiplweb.linkintime.co.in/faq.html and proceed accordingly.

    Shares held in electronic form: Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, Members holding shares in electronic form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by August 9, 2024.

13. In terms of Regulation 40 (1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's RTA website under the weblink at https://liiplweb.linkintime.co.in/client-downloads.html. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

15. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in form ISR-3 or form SH-14, as the case may be. The said forms can be downloaded from the Company's website https://www.arvindfashions.com/ (under 'Investor' section). Members are requested to submit the said form to their respective DPs in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.

16. Members are requested to note that dividends, if not encashed and which remains unclaimed for a consecutive period of 7 (seven) years from the date of transfer to Unpaid Dividend Account of the Company, and shares on which the dividend remains unclaimed for 7 (seven) consecutive years are liable to be transferred to the Investor Education and Protection Fund ("IEPF") as per Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. In view of this, Members/Claimants are requested to claim their dividends from the Company within the stipulated timeline.

17. Members desiring inspection of statutory registers during the AGM or who wish to inspect the relevant documents referred to in the Notice, can send their request on email to investor.relations@arvindfashions.com

18. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**

    Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

    The securities in the frozen folios shall be eligible:

    - To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
    - To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website https://www.arvindfashions.com/overview/. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. Members who hold shares in dematerialised form and wish to update their PAN, KYC Bank details and Nomination, are requested to contact their respective DPs.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

19. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

1. INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING) AND OTHER INSTRUCTIONS RELATING THERETO ARE AS UNDER:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.

II. The Company has engaged the services of NSDL as the Agency to provide remote e-Voting facility and e-Voting during the AGM.

III. Mr. Hitesh Buch, Practicing Company Secretary (Membership No. FCS 3145, COP: 8195) has been appointed as the Scrutinizer to scrutinize the e-Voting during the AGM and remote e-Voting in a fair and transparent manner.

IV. The Results of voting will be declared within two working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited & National Stock Exchange of India Limited) and shall also be displayed on the Company's website https://www.arvindfashions.com and NSDL's website https://www.evoting.nsdl.com.

V. Voting rights of the Members for voting through remote e-Voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, August 13, 2024. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e -Voting and voting during the AGM.

VI. The remote e-Voting facility will be available during the following period:

a. Commencement of remote e-Voting: 9.00 A.M. (IST) on Friday, August 16, 2024.

b. End of remote e-Voting: 5.00 P.M. (IST) on Sunday, August 18, 2024.

c. The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period.

VII. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.

VIII. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

IX. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in mentioning their demat account number/ folio number, PAN, name and registered address. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.

X. **Process and manner for Remote e-Voting:**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system.

(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

(B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e - services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e - services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company which is Arvind Fashions Limited for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcs.buchassociates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions ("FAQs") for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 – 4886 7000 or send a request to evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@arvindfashions.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@arvindfashions.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for members for e-Voting on the day of the AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

In case you have not registered your e-mail address with the Company/Depository, please follow below instructions for registration of e-mail address for obtaining Annual Report and / or login details for e-Voting

Physical Holding (For temporary update their e mail address)	Visit the link: https://web.linkintime.co.in/EmailReg/Email_Register.html and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e-mail address.
Demat Holding	Please contact your Depository Participant (DP) and register your e-mail address in your demat account as per the process advised by your DP.

2 Instructions for Members for attending the AGM through VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members seeking any information with regard to the annual accounts for 2023-24 or any business to be dealt at the AGM, are requested to send e-mail on investor.relations@arvindfashions.com on or before August 12, 2024 along with their name, DP ID and Client ID/folio number, PAN and mobile number. The same will be replied by the Company suitably.

6. Further, members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio Number, PAN and mobile number at investor.relations@arvindfashions.com on or before Monday, the 12th day of August, 2024. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Registered Office:
Main Building
Arvind Mills Premises,
Naroda Road,
Ahmedabad-380025

Date: May 21, 2024

By order of the Board
For Arvind Fashions Limited

Lipi Jha
Company Secretary
Membership No. A28147

Details of Directors seeking Re-appointment at the Ninth Annual General Meeting [Pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and SS-2 – Secretarial Standards on General Meetings

Name of Director	Mr. Punit Sanjay Lalbhai	Mr. Kulin Sanjay Lalbhai
DIN	05125502	05206878
Date of Birth	March 12, 1982	August 13, 1985
Age	42 yrs	38 yrs
Qualifications	Bachelor's degree in Conservation Biology from University of California, USA; Masters in Environmental Science from Yale University, USA MBA from INSEAD, France.	MBA from the Harvard Business School, and a B.Sc. in Electrical Engineering from the Stanford University.
Expertise in specific functional areas	Expertise in new materials and sustainable technologies, Sales and marketing, International business operations and Innovation management.	Industrialist, Apparel & Textile Industry domain, Entrepreneur, Technology Expert.
Brief Profile	Mr. Punit Lalbhai is the Vice Chairman and Executive Director at Arvind Limited. He is responsible for the Group's Textile, Engineering, Technical Textile and Environmental businesses. He has driven the company's entry and growth in technical textiles and advanced materials, which has become Arvind's fastest growing segment. Punit has also been involved with the growth of Anup Engineering – a capital goods manufacturing company – and that of Arvind Envisol – an up-and-coming waste-water treatment company. He also serves as the Chairman of the CII committee on Technical Textiles and is a governing council of ATIRA. Punit is active in the Ahmedabad Education Society and is on the board for both Ahmedabad University and CEPT University.	Mr. Kulin Lalbhai is a Vice Chairman at Arvind Limited. He is driving new initiatives in the consumer businesses of the group. He has been instrumental in setting up several new retail concepts and also spearheads the group's digital initiatives. He also plays an active role in the overall Corporate Strategy. Prior to his current role, he has also worked with management consulting with McKinsey & Co's Mumbai office. He holds a leadership position in several industry bodies. He is the Chairman of CII National committee on textiles and apparel and also heads the CII subcommittee on the India-EU FTA negotiations. He is also the Chairman of CII Gujarat State Council 2024-25. He is the Vice Chairman of RAI, the leading industry body for Indian retail.
Date of first appointment	April 02, 2019	February 7, 2017
Directorships held in other public companies (excluding, private, foreign and Section 8 companies)	1. Arvind Limited 2. Deepak Nitrite Limited 3. The Anup Engineering Limited 4. Arvind Smart Textiles Limited 5. Arvind Envisol Limited	1. Zydus Wellness Limited 2. Arvind Limited 3. Arvind Smartspaces Limited

Name of Director	Mr. Punit Sanjay Lalbhai	Mr. Kulin Sanjay Lalbhai
Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Stakeholder Relationship Committee)	The Anup Engineering Limited – Chairman of Stakeholders Relationship Committee	Zydus Wellness Limited – Member of Audit Committee
Inter-se relationship with other Directors and Key Managerial Personnel	Son of Mr. Sanjay Lalbhai, Chairman and Non-Executive Director and sibling of Mr. Kulin Sanjay Lalbhai, Non-Executive Director of the Company.	Son of Mr. Sanjay Lalbhai, Chairman and Non-Executive Director and sibling of Mr. Punit Sanjay Lalbhai, Non-Executive Director of the Company.
Name of the Listed entities from which the person has resigned in the past three years	Nil	Nil
Number of shares held in the Company	1544 shares	Nil
The number of Meetings of the Board attended during the year	4 out of 4	4 out of 4
Details of remuneration sought to be paid	Refer report on Corporate Governance	Refer report on Corporate Governance
Remuneration last drawn	Refer report on Corporate Governance	Refer report on Corporate Governance

Directors' Report

To
The Members,
Arvind Fashions Limited.

Your Directors are pleased to present the Directors' Report of the Company together with the audited financial statements of the Company for the financial year ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

₹ in Crores

Particulars	Standalone		Consolidated*	
	2023-2024	2022-2023	2023-2024	2022-2023
Revenue from operations (Net)	609.09	740.57	4,259.12	4,069.49
Profit/(Loss) Before Interest, Depreciation, Tax & Exceptional Items	74.87	40.18	544.27	473.35
Less: Finance Cost	19.50	15.52	144.18	120.97
Profit/(Loss) Before Depreciation, Tax & Exceptional Items	55.37	24.66	400.09	352.38
Less: Depreciation/Amortization	12.76	14.56	230.08	203.07
Profit/(Loss) before exceptional items & tax	42.61	10.10	170.01	149.31
Less: Exceptional items	51.46	-	6.17	-
Profit/(Loss) before tax	(8.85)	10.10	163.84	149.31
Less: Current tax/Deferred tax	2.49	0.24	57.25	40.06
Profit/(Loss) after Tax from Continuing Operations	(11.34)	9.86	106.59	109.25
Profit/(Loss) Before Tax for the period from Discontinuing Operations	-	-	30.73	(22.24)
Tax Expense/(Credit) on Discontinuing Operations	-	-	0.21	0.05
Profit/(Loss) after Tax from Discontinuing Operations	-	-	30.52	(22.29)
Net Profit/(Loss) for the period from Continuing Operations and Discontinuing Operations	(11.34)	9.86	137.11	86.96
Add: Other Comprehensive Income	(0.17)	(0.44)	(2.37)	(0.76)
Profit/(Loss) after Tax and OCI	(11.51)	9.42	134.74	86.20
Profit /(Loss) after tax carried over to Balance Sheet	(11.51)	9.42	134.74	86.20

*Previous year figure of consolidated financials are reinstated.

2. PERFORMANCE REVIEW:

Despite muted market conditions, our Company has continued its journey of profitable growth, reaffirming the strength of our brands and the effectiveness of our business strategy. We remain focused on expanding the retail footprint across brands and entering Tier II and III cities in India, where significant potential remains untapped, while also accelerating growth in the online direct-to-consumer channel. Across our brands, premiumization is a core theme. Expansion into adjacent categories such as women's wear, kids' wear, innerwear, footwear, and accessories also provides multiple growth levers for our brands.

FY 2024 has been a differentiated year for AFL and our sharper focus and execution across channels, combined with product innovation and tighter control over costs, continued to yield positive results.

Our revenue stood at ₹ 4,259 Crores, reflecting a year-on-year increase of ~5%. The share of retail channel grew by nearly 3%, with growth in the early teens, while our online B2B channel saw a sharp decline as we strategically de-stocked to ensure a healthy and controlled consumer experience, emphasizing tighter control on discounting.

Even as we continued to make substantial investments in marketing to keep our brands salient, our EBITDA reached ₹544 Crores, a 15% increase from the previous year. This success is attributed to sourcing efficiency, high full-price sell-thru, reduced discounting, and a favorable channel mix. EBITDA margins stood at 12.8%, representing a 120 basis point improvement driven by higher gross margin and operational cost efficiencies.

A significant achievement has been the robust improvement in our return on capital employed, an increase of 400 basis points to over 16%. Over the past year, we have implemented multiple strategic interventions and initiatives to enhance this metric. We remain confident in our trajectory towards realizing even higher returns on capital employed in the near term.

The Company continued to expand its retail footprint and accelerated its store expansion strategy by opening 146 Exclusive Brand Outlets (EBOs), increasing our total EBO count to 931 stores.

On Standalone basis

Revenue Growth – The Company showed a marginal decline in revenue growth, with revenue from operations decreasing by 17.75% from ₹ 740.57 Crores in FY 23 to ₹ 609.09 Crores in FY 24.

Profit/(Loss) After Tax (PAT) - The Profit after tax showed a slight decrease of 15.01 % from ₹ 9.86 Crores in FY 23 to ₹ (11.34) Crores in FY 24.

On Consolidated basis

Consolidated Performance – The Company's consolidated financial performance across its operations also improved substantially. Consolidated revenue from operations (Net) grew by 4.66% rising from ₹ 4,069.49 Crores in FY 23 to ₹ 4,259.12 Crores in FY 24.

Consolidated PAT – The consolidated profit after tax demonstrated remarkable growth of 57.67% increasing from of ₹ 86.96 Crores in FY 23 to profit of ₹ 137.11 Crores in FY 24.

3. MATERIAL EVENTS DURING THE YEAR UNDER REVIEW

Sale of Entire Equity stake in wholly owned subsidiary:

The Company had entered into a Share Purchase Agreement dated November 3, 2023 with Reliance Beauty & Personal Care Limited, a wholly owned subsidiary of Reliance Retail Ventures Limited (the "Acquirer") to sell and transfer the entire equity stake held by it in its wholly owned subsidiary "Arvind Beauty Brands Retail Limited". The said wholly owned subsidiary of the Company was engaged in marketing, distribution and retail of beauty products under the brand name "Sephora" in India. Consequently, "Arvind Beauty Brands Retail Limited" ceased to be the subsidiary of the Company.

4. DIVIDEND

Based on the Company's performance and in line with Dividend Distribution Policy, the Board of Directors in its meeting held on May 21, 2024 recommended a final dividend at the rate of 31.25% on equity shares for the financial year ended March 31, 2024. This will translate to ₹ 1.25 per equity share of ₹ 4 each. The dividend shall be subject to approval by the Members of the Company in the ensuing Annual General Meeting.

Due to changes in the Income-tax Act, 1961, introduced by Finance Act, 2020, dividend distributed by the Company are now taxable in the hands of the shareholders. The Company shall deduct applicable tax at source before paying out the dividend.

The Register of Members and Share Transfer Books of the Company will remain closed from August 10, 2024 to August 19, 2024 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2024.

The dividend, if declared by the members, would involve a cash outflow of about ₹ 16.65 Crores.

5. DIVIDEND DISTRIBUTION POLICY

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Dividend Distribution Policy and the same is available on the Company's Website at https://www.

arvindfashions.com/wp-content/uploads/2018/11/AFL-Dividend-Distribution-Policy.pdf.

6. BOARD MEETINGS HELD DURING THE YEAR

During the year under review, thirty-nine Board/Committee meetings were held including four Board meetings, five Audit Committee meetings, two Nomination and Remuneration Committee meetings, two Stakeholders Relationship Committee meetings, two Risk Management Committee meetings, one Corporate Social Responsibility Committee meeting, one Independent Director meeting and twenty-two Committee of Directors meetings.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby make the following Responsibility Statement as required by Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period.

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

d) The Directors have prepared the annual accounts on a going concern basis.

e) They have laid down internal financial controls, which are adequate and are operating effectively.

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors or the Secretarial Auditor of the Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the financial statements.

10. RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnels etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Policy on Related Party Transactions as approved by the Board is available on the Company's website at https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-RPT-Policy.pdf

11. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return is available on Company's website at https://www.arvindfashions.com/corporate-governance/

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2024 AND MAY 21, 2024 (DATE OF THE REPORT)

During March 31, 2024 and May 21, 2024 no material change and commitments have taken place which may affect the financial position occurred in the company.

13. INFORMATION ON CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO

i) Conservation of Energy

The Company is making efforts to achieve energy efficiency and increase the mix of renewable energy within the operations.

a) Energy Efficiency

The Company has a ***'Combat Climate Change'*** as a sustainability pillar, where the company has shifted from conventional lights to LED lights in the stores and in the warehouses and the company has installed motion sensor LED lights for energy management within its warehouse operations.

- Utilization of Solar Energy for Corporate office through PPA: Our corporate office is utilizing 14lacs solar units every year through power purchase agreement, leading to reduction of 1190 metric tonnes of GHG emissions through utilization of renewable energy.
- Installation of IOTs in the warehouse: The Company has installed IOTs in the warehouse lighting, where the lights will be turned off in no use condition, leading to saving of 30% of electricity through consumption using motion sensors lights.
- Energy Efficiency: LED lights are proven to consume significantly 50% less energy than traditional tube lights, leading to immediate reductions in electricity bills.
- Cost Savings: The longer lifespan and lower maintenance requirements of LED lights result in reduced maintenance and replacement costs over time.
- Enhanced Lighting Quality: The switch to LED lighting has led to improved lighting quality, offering better visibility and creating a more comfortable environment for employees and visitors.
- Environmental Contribution: By reducing energy consumption and minimizing the need for replacements, this project contributes to our sustainability goals and reduces our carbon footprint.

The company has installed motion sensor LED lights for energy management within its warehouse operations in FY 24 that indicated a reduction potential of 5%-8% in the energy demand. The same is being evaluated and implemented for upcoming new warehouses as well. Arvind Fashions state of the art warehouse facility at Hoskote, Karnataka is currently undertaking the procedures of Green Building Certification that further represents Arvind's commitment to contribute towards reducing Green House Gas emission.

The company is also working on SOPs to achieve behavioural based energy efficiency within the operations.

b) Renewable energy

We have signed an agreement with wheel solar power from an independent power producer in FY 19 for a period of 9 years expected to cover 80-95% of the energy demand at the corporate office. We have a potential of mitigating ~1,030 tons of carbon dioxide on an annual basis.

Company is exploring the potential of shifting its warehouses to renewable energy in the near future. The preliminary survey for the installation of rooftop solar panels is conducted by the external agencies.

Company is also engaging with its vendor partners to enable their transition to renewable energy thereby reducing the overall carbon footprint of its products.

ii) Absorption of technology

The Company has not absorbed any technology.

iii) Foreign Exchange Earnings and Outgo

₹ in Crores

	2023-24	2022 – 23
Earning in Foreign Currency	16.35	13.55
Expenditure in Foreign Currency	404.90	415.68

14. CREDIT RATING

Your Company is rated by CARE Ratings Limited on its various long term and short term bank facilities availed from the banks.

On January 5, 2024 CARE Ratings Limited has upgraded and revised the rating from CARE A-, Positive / CARE A2+ to CARE A, Stable / CARE A1.

15. NOMINATION & REMUNERATION POLICY OF THE COMPANY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Remuneration Policy is available on the Company's website at https://www.arvindfashions.com/wp-content/uploads/2019/05/Nomination-and-Remuneration-Policy.pdf

The policy includes, *inter-alia*, the criteria for the appointment and remuneration of Directors, KMPs, Senior Management Personnel and other employees of the Company.

16. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Board has, framed a policy to identify, assess, monitor and mitigate various identified risks associated with the key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Risk Management Policy is available on the Company's website at https://www.arvindfashions.com/wp-content/uploads/2019/03/Risk-Management-Policy.pdf

The Board of Directors has formed a Risk Management Committee to oversee the risk management plan. As on March 31, 2024, the Committee comprises of the following Directors: ·

- Mr. Suresh Jayaraman, Chairperson
- Mr. Shailesh Chaturvedi,
- Mr. Nagesh Pinge,
- Mr. Nilesh Shah,
- Ms. Ananya Tripathi and
- Ms. Nithya Easwaran, Members

In the opinion of the Board, there are no risks that poses a threat to the existence of the Company.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's average net profits for the past three financial years are negative, hence, the Company was not required to undertake any CSR programs / projects for the financial year 2023-24. Your Company has a Corporate Social Responsibility Policy which is uploaded on the website of the Company at https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-CSR-Policy.pdf

The Annual Report on CSR Activities for the year under review as required under Sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 in prescribed format is enclosed as an **Annexure-A**.

18. BOARD EVALUATION

Pursuant to the provisions of Section 134(3) (p) of the Companies Act, 2013 read with the rules framed thereunder and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and that of its Committees and individual Directors. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report which forms part of the Annual Report.

Further, to comply with Regulation 25(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole at a separate meeting of Independent Directors, which was held on March 26, 2024.

19. CHANGE IN THE NATURE OF THE BUSINESS

There was no change in the nature of the business during the year under review.

20. DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors consists of 12 (Twelve) members, comprising of 1 (one) Managing Director, 5 (five) Non-Executive Directors and 6 (six) Non-Executive Independent Directors.

As per the provisions of Section 152(6) of the Companies Act, 2013 and in terms of the Article of Association of the Company, Mr. Punit Sanjay Lalbhai (DIN: 05125502) and Mr. Kulin Sanjay Lalbhai (DIN: 05206878), shall retire by rotation at the ensuing Annual General Meeting and being eligible, shall offer themselves for re-appointment as the Directors of the Company.

During the year under review, the Board of Director's, on the recommendation of the Nomination and Remuneration Committee, through circular resolution passed on October 9, 2023, approved and recommended to the shareholders for their approval of the appointment of Mr. Govind Shridhar Shrikhande (DIN: 00029419) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 (five) consecutive years with effect from October 09, 2023. The Company received the approval of the Members of the Company on December 20, 2023 through Postal Ballot for his appointment as an Independent Director of the Company effective from October 09, 2023.

Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 09, 2023.

Further, the re-appointment of Mr. Nagesh Dinkar Pinge (DIN: 00062900) and Mr. Achal Anil Bakeri (DIN: 00397573) as Independent Directors, not liable to retire by rotation, to hold office for another term of 5 (Five) consecutive years with effect from October 10, 2023 were approved by the Shareholders of your Company in the Annual General Meeting held on September 12, 2023.

The Independent Directors have submitted their declaration confirming that each of them meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in accordance with Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have confirmed that are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties as Independent Directors of the Company. The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Company's Policy of the Code of Conduct for Directors and Senior Management Personnel.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfils the conditions specified in the Companies Act, 2013 read with Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are eligible & independent of the management.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Companies Act, 2013

During the year under review, there were no changes in the Key Managerial Personnel of the Company. Therefore, as per the provisions of Section 203 of the Companies Act, 2013, Mr. Shailesh Shyam Chaturvedi as Managing Director & CEO, Mr. Girdhar Kumar Chitlangia as Chief Financial Officer and Ms. Lipi Jha as Company Secretary are the Key Managerial Personnel of the Company.

21. DISCLOSURE UNDER SECTION 67(3)(C) OF THE COMPANIES ACT, 2013

No disclosure is required under section 67(3)(c) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of the voting rights not exercised directly by the employees of the Company, as the provisions of the said section are not applicable.

22. AUDITORS

Statutory Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration No. 117365W) were appointed as the Statutory Auditors of your Company for a period of 5 (five) consecutive years at the Annual General Meeting held on August 23, 2021. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. N. V. Kathiria & Associates, Company Secretary in Practice, Ahmedabad to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2024. The Secretarial Audit Report (in Form MR-3) of the Company and its material Subsidiary Company is enclosed as an **Annexure-B** to this Report. The report of Secretarial Auditor is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer.

23. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditor and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013 and therefore, no detail is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

24. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

25. SUBSIDIARIES / CONTROLLED ENTITIES / ASSOCIATES

As on March 31, 2024, the Company has following 3 subsidiary companies and 1 Controlled Entity Jointly Owned with PVH BV.

Subsidiaries

- Arvind Lifestyle Brands Limited
- Arvind Youth Brands Private Limited
- Value Fashion Retail Limited

Controlled Entity Jointly Owned with PVH BV

- PVH Arvind Fashions Private Limited

During the year under review, Arvind Beauty Brands Retail Limited ceased to be the wholly owned subsidiary of the Company on account of sale and transfer of the entire equity stake held by the Company in Arvind Beauty Brands Retail Limited to Reliance Beauty & Personal Care Limited, effective from November 3, 2023.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of Financial Statements of Subsidiaries and controlled entities in **Form AOC-1** is attached to the Financial Statements. The separate audited financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary are also available on the website of the Company at www.arvindfashions.com.

The Company has framed a policy for determining material subsidiaries, which has been uploaded on the Company's website at https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-Policy-on-Material-Subsidiaries.pdf

26. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

27. DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

29. INTERNAL FINANCIAL CONTROLS

The Company has in place an adequate internal financial controls with reference to the financial statements and dedicated Internal Auditor to ensure its adequacy. The scope and authority of the Internal Auditor is well defined in the organisation. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

The Statutory Auditor of the Company has also given an opinion that the Internal Financial Controls over Financial Reporting are adequate and are operating effectively at the end of the financial year.

30. COMMITTEES OF THE BOARD

The Company has constituted various Committees of the Board as required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including composition, number of meetings held, attendance of members, etc. of such Committees, are set out to the Corporate Governance Report which forms a part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Stakeholders Relationship Committee ("SRC") was reconstituted by way of addition of Mr. Govind Shrikhande as Member of the SRC.

Composition of Audit Committee:

The Audit Committee consists of the following Members;

i) Mr. Nagesh Pinge – Independent Director

ii) Mr. Nilesh Shah – Independent Director

iii) Ms. Ananya Tripathi – Independent Director

iv) Ms. Nithya Easwaran – Non-Executive Director

All the recommendations of the Audit Committee made during the year has been accepted by the Board.

31. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government, after completion of 7 (seven) years from the date the dividend is transferred to unpaid/unclaimed account. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year, the Company is not obligated to transfer any unpaid or unclaimed dividend amounts or shares for which the dividend has not been claimed or paid for a continuous period of 7 (seven) years or more to the IEPF.

32. SHARE CAPITAL

As on March 31, 2024, the authorised capital of the Company stands at ₹ 75,00,00,000 divided into 18,75,00,000 equity shares of ₹ 4 each. The paid-up equity share capital of the Company is ₹ 53,18,39,084 consisting of 13,29,59,771 fully paid equity shares of ₹ 4 each and ₹ 49,378 consisting of 24,689 partly paid equity shares of ₹ 2 each.

During the year under review, the Company has allotted 1,58,800 equity shares under ESOP scheme of the company.

The Company has not issued any Equity Shares with differential rights and Sweat Equity Shares during the year under review.

33. EMPLOYEE STOCK OPTION SCHEMES (ESOS)

The Company has instituted the Employees Stock Option Scheme (ESOS) 2016, 2018 and 2022 to grant equity-based incentives to certain eligible employees and directors of the Company and its subsidiary companies, i.e. in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time ("SEBI ESOP Regulations").

During the year under review, the Company has granted 1,99,000 stock options to eligible employees under ESOS 2022. Disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 were complied at the time of grant. Disclosures with respect to stock options, as required under Regulation 14 of the SEBI ESOP Regulations, are available on the Company's website www.arvindfashions.com/overview and also set out in **Annexure - C** to this report.

Certificate from the Secretarial Auditor of the Company, Mr. N. V. Kathiria, has been obtained confirming that the implementation of Employee Stock Option Scheme is in accordance with the SEBI ESOP Regulations and the resolutions has been approved by the members regarding the Scheme.

34. VIGIL MECHANISM

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a vigil mechanism/Whistle Blower Policy to provide a platform to the Directors and Employees of the Company to raise concerns with the instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy within the Company.

The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company at https://www.arvindfashions.com/wp-content/uploads/2019/04/Whistleblower-Policy.pdf

35. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme is explained in the Corporate Governance Report and is also available on the Company's website at https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-Familiarisation-Programs-of-Independent-Directors.pdf

36. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Corporate Governance Report, together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Annual Report.

A separate section on Management Discussion and Analysis Report (MDA) is included in the Annual Report as required under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report for the year ended March 31, 2024 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Annual Report.

38. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

Further, as per second proviso to Section 136(1) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard at investor.relations@arvindfashions.com.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure - D** to this report.

39. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has also formed Internal Complaint Committee and the Committee members are experts in handling the investigations and proceedings as defined in the policy.

During the financial year 2023-24, no complaints were filed.

40. HUMAN RESOURCES

At Arvind Fashions, we believe that our people are our most important asset. The Company employs over 6,445 individuals with an average age of 29 and a gender diversity rate of 17%. This year, the Company focused on enhancing work quality and business ease by building collaborative and progressive systems and processes.

Known for its quality work environment, autonomy, growth opportunities, and support, the Company attracts top talent across the country. DEI (Diversity, Equity, and Inclusion) initiatives are central to the Company's culture, promoting diverse backgrounds, fair treatment, and a supportive environment for all.

Employee engagement is prioritized through initiatives like "Arvind Voice" and exit surveys, fostering transparency and empowerment. Leaders connect with employees via town halls and engagement programs to share achievements and future plans. The Company recognizes outstanding performance with Retail, Value, and Spotlight awards.

Arvind University, the Company's learning and development centre, ensures continuous employee growth and skill enhancement, aligning programs with business objectives to address skill gaps and stay agile in the evolving retail landscape.

Progressive policies like Flexi-time, Gender Neutral, Equal Employment Opportunity, Paternity & Adoption, and Crèche Services, along with professional development and career mobility opportunities, foster an environment of empowerment and engagement. Arvind Care, the Company's safety and wellness initiative, reflects a commitment to employee health and happiness, offering free health check-ups, Doctor-on-Call services, medical facilities, and a gym.

The Company remains dedicated to nurturing a workforce that thrives both personally and professionally, driving the sustained success and growth of the organization.

41. ACKNOWLEDGEMENT

The Directors wish to express their appreciation for the continued support of bankers, financial institutions, customers, and various Government agencies. The Directors also wish to thank all the employees for their contribution, support and continued co-operation throughout the year.

For and on behalf of the Board of Arvind Fashions Limited

Sd/-	Sd/-
Sanjay Lalbhai	**Shailesh Shyam Chaturvedi**
Chairman & Director	Managing Director & CEO
DIN: 00008329	DIN: 03023079
Place: Ahmedabad	Place: Bangalore
Date: 21/05/2024	Date: 21/05/2024

Annexure – A to the Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2023-24

1. Brief Outline on CSR Policy of the Company

The Arvind Fashions Limited Policy on Corporate Social Responsibility (**'AFLPCSR'**) provides a structured guideline for the Company and all its Subsidiaries and Joint Ventures to undertake CSR initiatives. This policy helps them maintain a common CSR thought thread. For doing so, the top Management of the Arvind Fashions Limited and its Subsidiaries and Joint Ventures define an annual budget, select CSR focus areas, select geography, work with either the Arvind Fashions CSR team to undertake CSR initiatives or partner with like-minded individuals and organisations and last but not the least, utilise the skills of vast majority of Employee Talents that the company has in accomplishment of its CSR vision.

Our CSR Policy is in sync with the broader areas of Schedule VII of the Companies Act, 2013 and will always be aligned to the changes that gets incorporate in the schedule.

The key points of the policy are presented below and the policy can be reached at our website through the given link: https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-CSR-Policy.pdf

2. Composition of the CSR Committee

Arvind Fashions Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act, 2013. The members of the CSR Committee are:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kulin Lalbhai	Chairman / Non-Executive Director and Vice Chairman	1	1
2	Mr. Punit Lalbhai	Member/ Non-Executive Director	1	1
3	Mr. Nilesh Shah	Member/ Independent Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.arvindfashions.com/corporate-governance/

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable

5. a) Average net profit of the Company as per sub-section (5) of section 135*:

The average net profit of the Company is (₹ 13.81 Crore) (Loss)

b) Two percent of average net profit of the company as per sub-section (5) of section 135*: (₹ 2.76 Crore) (Loss)

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

d) Amount required to be set off for the financial year, if any: Nil

e) Total CSR obligation for the financial year [(b)+(c)+(d)]: Nil

*The company has incurred average loss during the immediately three proceeding financial year as mentioned above under point 5 (a) and 5 (b). Therefore, the Company has not spend any amount towards CSR for the financial year 2023-24.

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing project):** Nil

b) **Amount spent in Administrative Overheads:** Nil

c) **Amount spent on Impact Assessment, if applicable:** Nil

d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** Nil

e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL	-	NA	NIL	-

f) **Excess Amount for set off, if any:** Not applicable

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:** Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2	FY-2							
3	FY-3							

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not applicable

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name
(1)	(2)	(3)	(4)	(5)	(6)	
Not Applicable						

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not applicable.

Sd/-
Mr. Shailesh Chaturvedi
Managing Director & CEO

Sd/-
Mr. Kulin Lalbhai
Vice Chairman & Non-Executive Director

Date: May 21, 2024

Annexure – B to the Directors' Report

FORM MR – 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ARVIND FASHIONS LIMITED
Main Building, Arvind Limited Premises,
Naroda Road, Ahmedabad- 380025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARVIND FASHIONS LIMITED** (hereinafter "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

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

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

    (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;

    (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

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

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

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

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

    (v) The Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;

    (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issue any such securities during the financial year)**

    (vii) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar and Transfer Agents with SEBI)**

    (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as the Company has not delisted any of its equity shares during the financial year)**

    (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable as the Company has not bought back any of the securities during the financial year).**

3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

4. The Company has complied with following specific laws to the extent applicable to the Company:

    a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

    b) The Employees' State Insurance Act, 1948.

    c) The Contract Labour (Regulation & Abolition) Act, 1970.

    d) The Maternity Benefit Act, 1961.

    e) The Minimum Wages Act, 1948.

    f) The Payment of Bonus Act, 1965.

    g) The Payment of Gratuity Act, 1972.

    h) The Payment of Wages Act, 1936.

    i) The Workmen Compensation Act, 1923.

    j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

    k) Shops and Establishment Act of respective states.

    l) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.

    m) Tax on Profession of respective States.

    n) Labour Welfare Fund.

    o) The Legal Metrology Act, 2009.

    p) The Consumer Protection Act, 1986.

    q) Trademarks Act, 1999.

    r) The Information Technology Act, 2000.

    s) Income Tax Act, 1961 and its Rules.

    t) The Goods and Services Tax Act, 2017.

    u) Customs Act, 1962.

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India and The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs except the following:

1. The Company has allotted following Equity shares of ₹ 4/- each with premium, during the F.Y. 2023-24, to the eligible employees pursuant exercise of stock options to eligible applicants/Grantee under Employee Stock Option Scheme 2016 (ESOS 2016) of the Company.

Sr. No.	Date of allotment	No of Shares
1.	07.06.2023	5000
2.	05.07.2023	44000
3.	04.09.2023	15000
4.	20.09.2023	10000
5.	06.11.2023	50000
6.	22.11.2023	5300
7.	07.12.2023	3500
8.	18.12.2023	1500
9.	18.01.2024	1500
10.	08.03.2024	6500
11.	28.03.2024	16500

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
(UDIN: F004573F000410528)

DATE: 21.05.2024
PLACE: AHMEDABAD

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Arvind Fashions Limited
Main Building, Arvind Limited Premises,
Naroda Road, Ahmedabad- 380025.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

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

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
(UDIN: F004573F000410528)

DATE : 21.05.2024
PLACE : AHMEDABAD

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Arvind Lifestyle Brands Limited
Arvind Mills Premises, Naroda Road,
Ahmedabad– 380025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARVIND LIFESTYLE BRANDS LIMITED** (hereinafter **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

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

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

   (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

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

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

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

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

   (v) The Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;

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

   (vii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

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

   It has been found that there were no instances requiring compliance with the provision of the laws indicated at point No. 2 mentioned hereinabove during the period under review.

3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

4. The Company has complied with following specific laws to the extent applicable to the Company:

   a. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

   b. The Employees' State Insurance Act, 1948.

   c. The Contract Labour (Regulation & Abolition) Act, 1970.

   d. The Maternity Benefit Act, 1961.

   e. The Minimum Wages Act, 1948.

   f. The Payment of Bonus Act, 1965.

   g. The Payment of Gratuity Act, 1972.

   h. The Payment of Wages Act, 1936.

   i. The Workmen Compensation Act, 1923.

   j. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

   k. Shops and Establishment Act of respective states.

   l. The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.

   m. Tax on Profession of respective States.

   n. Labour Welfare Fund.

   o. The Legal Metrology Act, 2009.

   p. The Consumer Protection Act, 1986.

   q. Trademarks Act, 1999.

   r. The Information Technology Act, 2000.

   s. Income Tax Act, 1961 and its Rules.

   t. The Goods and Services Tax Act, 2017.

   u. Customs Act, 1962.

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

   The Listing Agreements entered into by the Company with Stock Exchange pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. **(the securities of the company are not listed on any recognized stock exchange, so clauses of listing agreement were not applicable)**

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that

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

We further report that

During the audit period, there were no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
DATE : 21.05.2024 PR Cert. No. 1085/2021
PLACE : AHMEDABAD (UDIN : F004573F000411188)

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Arvind Lifestyle Brands Limited
Arvind Mills Premises, Naroda Road,
Ahmedabad- 380025.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

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

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
(UDIN : F004573F000411188)

DATE : 21.05.2024
PLACE : AHMEDABAD

FORM MR – 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Arvind Youth Brands Private Limited
Main Building, Arvind Limited Premises,
Near Chamunda Bridge, Naroda Road,
Ahmedabad- 380025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARVIND YOUTH BRANDS PRIVATE LIMITED** (hereinafter **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (Audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

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

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

   (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

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

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

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

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

   (v) The Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;

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

   (vii) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

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

   Being status of Company is private and none of its security are listed on Stock Exchanges. Therefore, Point No 2 as above mentioned are not applicable to the Company for F.Y. 2023-24.

3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

4. The Company has complied with following specific laws to the extent applicable to the Company:

   a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

   b) The Employees' State Insurance Act, 1948.

   c) The Contract Labour (Regulation & Abolition) Act, 1970.

   d) The Maternity Benefit Act, 1961.

   e) The Minimum Wages Act,1948.

   f) The Payment of Bonus Act, 1965.

   g) The Payment of Gratuity Act, 1972.

   h) The Payment of Wages Act, 1936.

   i) The Workmen Compensation Act, 1923.

   j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

   k) Shops and Establishment Act of respective states.

   l) The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986.

   m) Tax on Profession of respective States.

   n) Labour Welfare Fund.

   o) The Legal Metrology Act, 2009.

   p) The Consumer Protection Act, 1986.

   q) Trademarks Act, 1999.

   r) The Information Technology Act, 2000.

   s) Income Tax Act, 1961 and its Rules.

   t) The Goods and Services Tax Act, 2017.

   u) Customs Act, 1962.

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

   The Listing Agreements entered into by the Company with Stock Exchange pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. **(the securities of the company are not listed on any recognized stock exchange, clauses of listed agreement were not applicable).**

We further report that
The Board of Directors of the Company is properly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs.

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
(UDIN: F004573F000390035)

DATE: 17.05.2024
PLACE: AHMEDABAD

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Arvind Youth Brands Private Limited
Main Building, Arvind Limited Premises,
Near Chamunda Bridge, Naroda Road,
Ahmedabad- 380025.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

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

For N. V. KATHIRIA & ASSOCIATES
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
(UDIN: F004573F000390035)

DATE: 17.05.2024
PLACE: AHMEDABAD

Annexure – C to the Directors' Report

DISCLOSURES UNDER REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Sr. No.	Description of ESOS	ESOS 2016	ESOS 2018	ESOS 2022
1(a)	Date of shareholder's approval Date of shareholder's approval on amendment	15-Oct-2016 16-Jul-2018	May 12, 2018 Date of approval to the Composite Scheme of Arrangement involving De-merger, amalgamation and restructure of Capital amongst Arvind Limited, Arvind Fashions Limited, Anveshan Heavy Engineering Limited and The Anup Engineering Limited and their respective Shareholders and creditors ("**the Scheme**") Not applicable	September 26, 2022 Not applicable
(b)	Total number of shares approved	75,00,000	19,09,800	8,00,000
(c)	Vesting requirements	Options vest over a period of 1 to 5 years based on continued service and certain performance parameters.		
(d)	Exercise price or pricing formula	The Exercise Price shall be as decided by the Board/ Committee at its own discretion. Provided that after listing of the equity shares of the Company on any recognized stock exchange in India, the exercise price shall be the Market Price of the share. However, it can be such other price as may be decided by the Board/ Committee for grant of options not exceeding 0.5% of the paid-up equity shares as on March 31, 2018 i.e. not exceeding 5,79,257 shares or such other price as may be required to be arrived in accordance with the applicable laws. Further, Board/ Committee shall grant such options not exceeding 0.5% of paid up capital as mentioned above to employees in lieu of cash compensation based on achievement of key performance indicators and such options shall not exceed 0.15% of the paid-up capital i.e. not exceeding 1,73,777 shares to any one employee.	Market price of the equity shares being latest available closing price on the Stock Exchange. However, Options granted to the Employees of the Demerged Company, i.e., Arvind Limited, will be at the Exercise Price as mentioned under Part II, clause 7.4.4 of the Scheme of Arrangement which states that the Board of the Resulting Company 1, i.e., AFL shall determine the exercise price of the stock options issued by it in lieu of stock options granted under Arvind Limited's ESOS and outstanding before the demerger.	The exercise price shall be the Market Price for options to be granted under this scheme.
(e)	Maximum term of options granted	5 years from the date of grant		
(f)	Source of shares	Primary		
(g)	Variation of terms of options	None		
2	Method used to account for ESOS	Fair Value Method		

Sr. No.	Description of ESOS	ESOS 2016	ESOS 2018	ESOS 2022
3	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed.	Not applicable	Not applicable	Not applicable
	(i) Difference between Intrinsic value and Fair value compensation cost			
	(ii) Impact on the Profits of the Company (₹)			
	(iii) Impact on Basic Earnings Per Share of the Company (₹)			
	(iv) Impact on Diluted Earnings Per Share of the Company (₹)			
4	Option movement during the period:			
(a)	Options Outstanding at the beginning of the year	17,46,727	0	1,15,000
(b)	Options granted during the year	0	0	1,99,000
(c)	Options forfeited / lapsed during the year	1,05,523	0	0
(d)	Options vested during the year	5,98,800	0	33,000
(e)	Options exercised during the year	1,58,800	0	0
(f)	Number of shares arising as a result of exercise of option	1,58,800	0	0
(g)	Money realised by exercise of options (₹)	2,33,02,067	0	0
(h)	Loan repaid by the Trust during the year from exercise price received	NA	NA	NA
(i)	Options Outstanding at the end of the year	14,82,403	0	3,14,000
(j)	Options Exercisable at the end of the year	13,62,777	0	33,000
5(a)	Weighted average exercise prices of outstanding options whose:			
	Exercise price equals market price of stock	270.68	-	313.55
	Exercise price exceeds market price of stock	1320.37	-	-
	Exercise price is less than market price of stock	85.60	-	-
5(b)	Weighted average fair value of options whose:			
	Exercise price equals market price of stock	116.37	-	86.98

Sr. No.	Description of ESOS	ESOS 2016	ESOS 2018	ESOS 2022
	Exercise price exceeds market price of stock	98.10	-	-
	Exercise price is less than market price of stock	88.46	-	-
6	Grantee wise details of options granted to: (i) Key managerial personnel	None	None	None
	(ii) any other grantee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year;	None	None	Asim Jagdale – Chief Human Resource Officer – 50,000 options Mallikarjuna Yarabolu – Chief Revenue Officer – 33,000 options Anand Iyer – Chief Executive Officer (Arrow) – 60,000 options Nitesh Kumar Kanchan – Chief Executive Officer (Digital) – 50,000 options Preeti Kaushik – Business Head – Innerwear - 6,000 options
	(iii) identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant.	None	None	None
7	A description of the method and significant assumptions used during the year to estimate the fair values of options, including following weighted average information:	No grants made during the period		
	(i) Share price (₹)			265.85 335.30
	(ii) Exercise price (₹)			265.85 335.30
	(iii) Expected volatility			47.23% 42.61%
	(iv) Expected dividends			0.00% 0.00%
	(v) Risk-free interest rate			6.87% 7.07%
	(vi) Any other inputs to the model			None None
	(vii) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model		
	(viii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility			The daily volatility of the Company's stock price and comparable companies' stock prices on NSE over the expected life of the options has been considered.
	(ix) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.			None

Annexure – D to the Directors' Report

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

₹ in Crores

Sr. No.	Particulars	Status	Number of Times	
			If Total remuneration of the director is considered	If total remuneration of the Director excluding variable pay and commission is considered
1	The ratio of the remuneration of each director to median remuneration of the employees of the Company for financial year 2023-24.	Mr. Sanjay Lalbhai	0.08	0.02
		Mr. Kulin Lalbhai	0.13	0.03
		Mr. Punit Lalbhai	0.09	0.02
		Ms. Nithya Easwaran	0.04	0.04
		Mr. Suresh Jayaraman	0.02	0.02
		Mr. Nagesh Dinkar Pinge	0.15	0.03
		Mr. Nilesh Dhirajlal Shah	0.11	0.04
		Mr. Achal Anil Bakeri	0.07	0.01
		Mr. Vallabh Roopchand Bhansali[@]	0.04	0.01
		Mr. Govind Shrikhande[(1)]	0.04	0.01
		Mr. Manoj Nakra	0.08	0.02
		Mr. Ananya Tripathi	0.10	0.03
		Mr. Shailesh Chaturvedi	5.50	4.75
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24.	**Directors***		%
		Mr. Sanjay Lalbhai		185.71
		Mr. Kulin Lalbhai		225.00
		Mr. Punit Lalbhai		175.00
		Ms. Nithya Easwaran		200.00
		Mr. Suresh Jayaraman		NA
		Mr. Nagesh Dinkar Pinge		112.50
		Mr. Nilesh Dhirajlal Shah		94.74
		Mr. Achal Anil Bakeri		(44.44)
		Mr. Vallabh Roopchand Bhansali[@]		68.33
		Mr. Govind Shrikhande[(1)]		NA
		Mr. Manoj Nakra		300.00
		Mr. Ananya Tripathi[(1)]		NA
		Managing Director & CEO		
		Mr. Shailesh Chaturvedi		22.56
		Chief Financial Officer		
		Mr. Girdhar Kumar Chitlangia**		281.53
		Company Secretary		
		Ms. Lipi Jha		15.05
3	The percentage increase in median remuneration of employees for the Financial Year 2023-24	15.38%		

₹ in Crores

Sr. No.	Particulars	Status	Number of Times: If Total remuneration of the director is considered	Number of Times: If total remuneration of the Director excluding variable pay and commission is considered
4	The number of permanent employees on the rolls of Company.	171		
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year (i.e. F.Y. 2022-23) and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase in the salaries of employees other than the managerial personnel for the financial year 2023-24 was 15.38% and the average percentile increase in the salaries of the managerial personnel for the financial year 2023-24 was 35.44%. There is no exceptional increase in remuneration of Key Managerial Personnel.		
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration paid during the year is as per the applicable Remuneration Policy of the Company.		

Notes:

* Sitting fees increased to ₹ 50,000 and ₹ 20,000 for Board and committee respectively effective from April 1, 2023. Please refer Corporate Governance report for more details.

** Mr. Girdhar Kumar Chitlangia was appointed as Chief Financial Officer on January 05, 2023.

(1) Mr. Govind Shrikhande was appointed on the Board of the Company on October 9, 2023. Ms. Ananya Tripathi was appointed on the Board of the Company on March 14, 2023. No remuneration in form of sitting fee was paid to them in the F.Y. 2022-23.

@Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023.

Corporate Governance Report

Your Directors present the Company's Report on Corporate Governance for the year ended on March 31, 2024, in compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate governance at Arvind Fashions Limited ("Arvind Fashions") is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors **("the Board")** is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The majority of our Board, 6 out of 12, are independent members. Given below is the report on Corporate Governance of Arvind Fashions.

2. BOARD OF DIRECTORS

2.1 Composition of the Board:

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors including two (2) Women Directors, which is in conformity with the Companies Act, 2013 (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time. As of the year ended March 31, 2024, the Board consisted of 12 (twelve) Directors, comprising of 1 (one) Managing Director, 5 (five) Non-Executive Non-Independent Directors and 6 (six) Independent Directors. The Board is headed by Non-Executive Chairman. The Non-Executive Independent Directors are leading professionals from varied fields who bring in independent judgment to the Board's discussions and deliberations.

Pursuant to Regulation 17A of the SEBI Listing Regulations, none of the Directors hold directorships in more than seven (7) Listed Companies or acts as an Independent Director in more than seven (7) Listed Companies. Also, none of the Directors are the member of more than ten (10) committees or Chairperson of more than five (5) Committees across all the public companies in which he or she is a Director in terms of Regulation 26 of the SEBI Listing Regulations. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2024, have been received from all the Directors.

In terms of the annual disclosures given by the Directors, none of them is disqualified under Section 164(2) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. None of the Directors of the Company have been restrained or debarred from holding the office of director by virtue of SEBI order or any other authority. The Company has proper systems to enable the Board of Directors to review on a periodic basis compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

2.2 Meetings and Attendance:

Board meetings are scheduled as required under the SEBI Listing Regulations, the Act and the rules made thereunder and as required under business exigencies. The Board met 4 (four) times, i.e., May 30, 2023, August 10, 2023, November 7, 2023 and February 13, 2024 during the year under review and the gap between two consecutive meetings did not exceed one hundred and twenty days as stipulated under Section 173(1) of the Act and Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by The Institute of Company Secretaries of India.

The following is the Composition of the Board and the attendance of the Directors in Board meetings and last Annual General Meeting (AGM) held as at March 31, 2024:

S. No.	Name of the Director	Category of Directorship	Attendance of meetings		Number of directorship in public Companies (including Arvind Fashions Limited)*	Committee Position**	
			No. of Board meetings attended during FY24	Attendance in the last AGM held on Sep 12, 2023		Chairman	Member
1	Mr. Sanjay Lalbhai	Chairman, Non-Executive	4	No	4	1	2
2	Mr. Shailesh Shyam Chaturvedi	Managing Director & CEO	4	Yes	3	0	0
3	Mr. Suresh Jayaraman	Non-Executive Non-Independent	4	Yes	5	1	1
4	Mr. Kulin Lalbhai	Non-Executive Non-Independent	4	Yes	5	1	2
5	Mr. Punit Lalbhai	Non-Executive Non-Independent	4	Yes	6	1	1
6	Ms. Nithya Easwaran	Non-Executive Non-Independent	4	No	3	0	4
7	Mr. Nagesh Pinge$	Non-Executive Independent	4	Yes	9	7	8
8	Mr. Nilesh Shah	Non-Executive Independent	3	Yes	4	0	3
9	Mr. Achal Bakeri^	Non-Executive Independent	1	Yes	3	0	1
10	Mr. Manoj Nakra	Non-Executive Independent	4	Yes	2	1	2
11	Ms. Ananya Tripathi	Non-Executive Independent	3	Yes	2	0	1
12	Mr. Vallabh Bhanshali#	Non-Executive Independent	2	Yes	2	0	0
13	Mr. Govind Shrikhande@	Non-Executive Independent	2	NA	4	0	3

*All the Companies have been considered excluding Private Companies, Companies incorporated under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and Companies incorporated outside India.
**Only Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26 of the SEBI Listing Regulations.
$Mr. Nagesh Pinge (DIN: 00062900) was re-appointed as an Independent Director of the Company for second term of five (5) years with effect from October 10, 2023.
^Mr. Achal Bakeri (DIN: 00397573) was re-appointed as an Independent Director of the Company for second term of five (5) years with effect from October 10, 2023.
#Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023.
@Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company for a term of five (5) years with effect from October 9, 2023.

Names of the other Listed Entities where a Director of the Company is a Director and the category of Directorship as on March 31, 2024:

Sr. No.	Name of the Director	Name of the Listed Company	Category of the Directorship
1	Mr. Sanjay Lalbhai	The Anup Engineering Limited	Chairman, Non-Executive
		Arvind Smartspaces Limited	Chairman, Non-Executive
		Arvind Limited	Chairman and Managing Director
2	Mr. Shailesh Shyam Chaturvedi	-	-
3	Mr. Suresh Jayaraman	-	-
4	Mr. Kulin Lalbhai	Arvind Smartspaces Limited	Non-Executive Non-Independent
		Zydus Wellness Limited	Non-Executive Independent
		Arvind Limited	Executive Director
5	Mr. Punit Lalbhai	The Anup Engineering Limited	Non-Executive Non-Independent
		Arvind Limited	Executive Director
		Deepak Nitrite Limited	Non-Executive Independent
6	Ms. Nithya Easwaran	-	-
7	Mr. Nagesh Dinkar Pinge	Automobile Corporation of Goa Limited	Non-Executive Independent
		Utkarsh Small Finance Bank Limited	Non-Executive Independent
		Goa Carbon Limited	Non-Executive Independent
8	Mr. Nilesh Shah	Arvind Limited	Non-Executive Independent
9	Mr. Achal Bakeri	Symphony Limited	Chairman and Managing Director
		Nuvoco Vistas Corporation Limited	Non-Executive Independent
10	Mr. Manoj Nakra	Credo Brands Marketing Limited	Non-Executive Non-Independent
11	Ms. Ananya Tripathi	-	-
12	Mr. Vallabh Bhanshali@	Force Motors Limited	Non-Executive Independent
13	Mr. Govind Shrikhande#	Brand Concepts Limited	Non-Executive Independent
		Donear Industries Limited	Non-Executive Independent
		V-Mart Retail Limited	Non-Executive Independent

@ Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023.
# Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company for a term of five (5) years with effect from October 9, 2023.

2.3 The Board has identified the following skills/ expertise/competencies with reference to its Business for the effective functioning of the Company and which are currently available with the Board:

The Nomination and Remuneration Committee ("NRC") along with the Board identifies the right candidate with the right qualities, skills and experience required for an individual member and the Board as a whole.

In case of appointment of Independent Directors, the NRC satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively and ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Act and as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank.

The following skills/expertise/competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Name of the Director	Skills/Expertise/Competencies
Mr. Sanjay Lalbhai	Industrialist, Apparel & Textile Industry domain, Entrepreneur, Board Service & Governance.
Mr. Shailesh Shyam Chaturvedi	Apparel & Textile Industry domain, Marketing, Finance, Business Strategy & Corporate Planning.
Mr. Suresh Jayaraman	Apparel & Textile Industry domain, FMCG Industry domain, Marketing, Business Strategy & Corporate Planning.
Mr. Kulin Lalbhai	Industrialist, Apparel & Textile Industry domain, Entrepreneur, Technology Expert.
Mr. Punit Lalbhai	Expertise in new materials and sustainable technologies, Sales and marketing, International business operations and Innovation management.
Ms. Nithya Easwaran	Financial Services, Asset Management, Capital Markets, Wealth Management, Private Equity.
Mr. Nilesh Shah	Finance, Banking, Asset Management, Capital Markets, Wealth Management.
Ms. Ananya Tripathi	Business strategy, business analysis, management consulting, competitive analysis.
Mr. Nagesh Pinge	Ethics, Corporate Governance, Risk Management, Internal Audit, Finance, Accounts and corporate laws.
Mr. Vallabh Bhanshali[@]	Finance, Investment Banker, Asset Management, Capital Markets, Wealth Management.
Mr. Achal Bakeri	Industrialist, Entrepreneur, corporate strategy and people development.
Mr. Manoj Nakra	Expertise and experience are in retail and distribution, entrepreneurship, and technology application.
Mr. Govind Shrikhande[#]	Apparel & Textile Industry domain, Marketing, Finance, Business Strategy & Corporate Planning.

[@] Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023.

[#] Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company for a term of five (5) years with effect from October 9, 2023.

2.4 Board Agenda:

The annual calendar of Board and Committee Meetings are agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board Member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board Members at least 7 working days in advance. In addition, for any business exigencies the resolutions are passed by circulation and later placed at the subsequent Board or Committee Meeting for noting. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

The necessary quorum was present for all the Board meetings. All material information was circulated to all the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of the SEBI Listing Regulations. To enable the Board to discharge its responsibilities effectively and make informed decisions, the management apprises the Board through a presentation at every Meeting on the Company's overall performance.

Invitees & Proceedings:

Apart from the Board Members, the Company Secretary, the Heads of Brands are invited to attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the matters being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues.

Representatives of the Statutory Auditors and Internal Auditors are the permanent invitees of the Audit Committee meetings to discuss the areas of internal audit as well as highlights of the financial performance of the Company.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of agenda and other documents and recording of the minutes of the meetings. She acts as an interface between the Board and the Management and provides required assistance to the Board and the Management.

2.5 Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

(a) Number of Directorship –

None of the Independent Directors serves as "Independent Directors" in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

(b) Criteria of Independence –

The Independent Directors have confirmed that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

(c) Tenure –

None of the Independent Directors have exceeded the tenure prescribed under Regulation 25 of the SEBI Listing Regulations and Section 149(10) of the Act.

(d) Separate meeting of Independent Director–

During the year under review, the Independent Directors met on March 26, 2024 without the presence of the non-independent directors and members of the management to *inter-alia* discuss the matters pertaining:

- To review the performance of the Non-Executive and Executive Directors;
- To review the performance of the Board of the Company as a whole;
- To review the performance of Chairman of the Company taking into account the views of Executive and Non-Executive Directors on the same;
- To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board.

They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at https://www.arvindfashions.com/wp-content/uploads/2023/12/Independent-Director-Terms-and-Conditions-of-Appointment.pdf

(e) Familiarization Programme -

On appointment of an individual as Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarization program including the presentation from the Chairman, Managing Director & CEO providing information relating to the Company, Brands, Industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the familiarization programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The details of familiarization program imparted to Independent Directors is also posted on the Company's Website at https://www.arvindfashions.com/wp-content/uploads/2024/04/Directors-Familiarization-Programs-2018-19-to-2023-24.pdf

2.6 Disclosure of relationships between the Directors inter-se:

Except between Mr. Sanjay Lalbhai, Chairman and Non-Executive Director and his two son's viz. Mr. Punit Lalbhai (Non-Executive Director) and Mr. Kulin Lalbhai (Vice Chairman & Non-Executive Director), there is no relationship between the Directors inter-se.

2.7 Number of shares and convertible instruments held by Non-Executive Directors:

Name	Category	No. of equity shares held
Mr. Sanjaybhai Lalbhai	Chairman and Non-Executive Director	76
Mr. Kulin Lalbhai	Vice Chairman & Non-Executive Director	0
Mr. Suresh Jayaraman	Non-Executive Director	8,96,568
Ms. Nithya Easwaran	Non-Executive Director	6,670
Mr. Punit Lalbhai	Non-Executive Director	1544
Mr. Nilesh Shah	Independent Director	42
Mr. Nagesh Pinge	Independent Director	0
Mr. Vallabh Bhanshali@	Independent Director	0
Mr. Achal Bakeri	Independent Director	0
Mr. Manoj Nakra	Independent Director	0
Ms. Ananya Tripathi	Independent Director	0
Mr. Govind Shrikhande#	Independent Director	0

@ Mr. Vallabh Roopchand Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023.
# Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company for a term of five (5) years with effect from October 9, 2023.

During the year under review, the Company has not issued any Convertible Instruments.

2.8 Code of Conduct for Directors and Senior Management Personnel:

In terms of the provisions of the SEBI Listing Regulations, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company at https://www.arvindfashions.com/corporate-governance/. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct.

The Chairman and Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct.

2.9 Prohibition of Insider Trading Code:

The Company has adopted codes viz. "Code of Conduct for Prohibition of Insider Trading" and the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), as amended from time to time.

The Code is applicable to Promoters, members of Promoters' Group, all Directors and such Designated Persons and their immediate relatives who are expected to have access to unpublished price-sensitive information relating to the Company. The Chief Financial Officer is the Compliance Officer and is responsible for the implementation of the Code and monitoring adherence to the said PIT Regulations. The Code allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Further, the details of the trading by Designated Persons are placed before the Audit Committee on a quarterly basis.

3 COMMITTEES OF THE BOARD:

The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. Minutes of the proceedings of Committee meetings are circulated to the directors and placed before Board meetings for noting. The Board of Directors has constituted 6 Committees of the Board viz.

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

The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman/Company Secretary.

3.1 AUDIT COMMITTEE

The Audit Committee of the Company comprises of 4 (four) members out of which 3 (three) members are Non-Executive Independent Directors. The Committee members are professionals having wide exposure, knowledge and experience in the fields of Finance and Accounts, Banking and Management. The terms of reference of the Audit Committee have been drawn up in line with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. Mr. Nagesh Pinge, Non-Executive Independent Director acts as the Chairman of the Committee and was present at the last AGM of the Company held on September 12, 2023, to answer shareholder queries in accordance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards.

The Audit Committee, *inter alia*, provides reassurance to the Board on the existence of an effective internal controls environment.

3.1.1 Terms of reference of the committee, *inter alia,* include the following:

1. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of Company;
3. Approval of payment to Auditors for any other services rendered by the Auditors of Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    - Changes, if any, in accounting policies and practices and reasons thereto;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions; and
    - Modified opinion(s) the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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 issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

9. Approval or any subsequent modification of transactions of the Company with related parties;

10. Scrutiny of inter-corporate loans and investments

11. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

12. Evaluation of internal financial controls and risk management systems;

13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

15. Discussion with internal auditors of any significant findings and follow up there on;

16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

18. 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;

19. To review the functioning of the whistle blower mechanism;

20. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

21. reviewing the utilization 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 existing as on the date of coming into force of this provision.

22. To review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

24. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Management letters / letters of internal control weaknesses issued by the statutory auditors of Company;

c. Internal audit reports relating to internal control weaknesses;

d. The appointment, removal and terms of remuneration of the chief internal auditor;

e. Statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-regulation (1) of Regulation 32 of the SEBI Listing Regulations; and
- annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of sub-Regulation (7) of Regulation 32 of the SEBI Listing Regulations.

3.1.2 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 5 (five) Audit Committee Meetings were held on May 30, 2023, August 10, 2023, November 7, 2023, February 13, 2024 and March 30, 2024. The attendance of each Members of the Committee is given below:

Sr. No.	Name of Member	Category	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Nagesh Pinge	Independent Director	Chairman	5	5
2	Mr. Nilesh Shah	Independent Director	Member	5	4
3	Ms. Nithya Easwaran	Non-Executive Director	Member	5	5
4	Ms. Ananya Tripathi	Independent Director	Member	5	5

The gap between two meetings did not exceed 120 days. The representatives of Internal and Statutory Auditors are invitees to the Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

3.2 NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee ("NRC") has been constituted. The NRC of the company comprises of 3 (three) Directors viz. Ms. Nithya Easwaran, Mr. Achal Bakeri and Mr. Nilesh Shah, one of them is Non-Executive Non-Independent Director and other two are Non-Executive Independent Directors. During the year under review the committee met 2 times on May 30, 2023 and August 10, 2023.

3.2.1 The terms of reference of the Committee, *inter alia,* include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

2. For every appointment of an Independent director, the Nomination and Remuneration 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 descriptions. For the purpose of identifying suitable candidates, the Committee may:

   i. Use the services of external agencies, if required.

   ii. Consider candidates from a wide range of backgrounds, having due regard to diversity.

   iii. Consider the time commitments of the candidates.

3. Formulation of criteria for evaluation of independent directors and the Board;

4. Devising a policy on Board diversity;

5. Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

6. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, the Nomination and Remuneration Committee or an Independent external agency and review its implementation and compliance.

7. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

8. Recommend to the board, all remuneration, in whatever form, payable to senior management.

3.2.2 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year under review, 2 (two) Nomination and Remuneration Committee Meetings were held on May 30, 2023 and August 10, 2023. The Chairman of the NRC was present at the last AGM of the Company, held on September 12, 2023, to answer shareholder queries in accordance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards. The Attendance of Members at meeting was as under:

Sr. No.	Name of Member	Category	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Nilesh Shah	Independent Director	Chairman	2	2
2	Mr. Achal Bakeri	Independent Director	Member	2	0
3	Ms. Nithya Easwaran	Non-Executive Director	Member	2	2

3.23 Evaluation of the Board's Performance:

During the year, Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees. This specific focus of the evaluation process was on performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Act, the SEBI Listing Regulations and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors including Chairman. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, domain knowledge, maintaining confidentiality, understanding of roles and responsibilities etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company. The Chairman of the Board in consultation with the Chairman of the NRC have noted the actions taken in improving Board effectiveness based on feedback given by the Directors.

3.2.4 Remuneration Policy and Criteria for making payment to Directors, Senior Management and Key Managerial Personnel:

Remuneration of Chairman, Managing Director, Senior Management employees and Key Managerial Personnel is recommended by the NRC and approved by the Board of Directors and the Shareholders of the Company for remuneration of Chairman and Managing Director after considering various factors like balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals, Company's performance vis-à-vis the annual achievement, individuals' performance vis-à-vis KRAs/ KPIs, Industry benchmark and prevailing HR policies etc.

The remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders in General Meeting. Non-Executive Directors are paid Sitting Fees of ₹ 50,000/- for every meeting of Board of Directors and ₹ 20,000/- for every meeting of Committee attended by them.

Apart from this, Non-Executive Directors [other than Managing Director and Whole Time Director(s)] are entitled for commission within the limit of 1% of the net profits of the Company per annum or such other amount as may be approved by the Board and Shareholders.

The remuneration policy is available on Company's website at https://www.arvindfashions.com/corporate-governance/. None of the Non-Executive Directors received remuneration exceeding 50% of the total annual remuneration paid to all Non-Executive Directors for the year ended March 31, 2024.

Details of remuneration paid to all Directors for the services rendered and stock options granted during the Financial Year 2023-24 are as under:

Sr. No	Name of Director	Salary (₹)	Perquisites & Allowances & Performance Linked Incentives (₹)	Retirement & Leave Benefits (₹)	Sitting Fees (₹)	Commission/ Bonus (₹)	Stock Option (No. of shares)
1	Mr. Sanjay Lalbhai	-	-	-	2,00,000	5,50,000	-
2	Mr. Suresh Jayaraman	-	-	-	2,40,000	-	-
3	Mr. Kulin Lalbhai	-	-	-	2,60,000	10,00,000	-
4	Mr. Punit Lalbhai	-	-	-	2,20,000	6,50,000	-
5	Ms. Nithya Easwaran(1)	-	-	-	4,20,000	-	-
6	Mr. Nilesh Shah	-	-	-	3,70,000	7,50,000	-
7	Mr. Nagesh Pinge	-	-	-	3,40,000	12,00,000	-
8	Mr. Vallabh Bhanshali(2)	-	-	-	1,00,000	2,88,562	-
9	Mr. Achal Bakeri	-	-	-	50,000	6,50,000	-
10	Mr. Shailesh Shyam Chaturvedi	8,47,25,780	1,30,50,006	-	-	-	-
11	Mr. Manoj Nakra			-	2,00,000	5,50,000	-
12	Ms. Ananya Tripathi	-	-	-	2,70,000	7,50,000	-
13	Mr. Govind Shrikhande(3)	-	-	-	1,20,000	3,11,792	-

*Perquisite of Mr. Shailesh Chaturvedi is on account of exercise of his vested employees stock options.

(1)Ms. Nithya Easwaran, Non-Executive Director has opted not to accept commission.

(2)Mr. Vallabh Bhanshali (DIN: 00184775) upon completion of his tenure, ceased to be an Independent Director of the Company with effect from October 9, 2023. Hence, commission for the period under review is paid on pro-rata basis.

(3)Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company for a term of five (5) years with effect from October 9, 2023. Hence, commission for the period under review is paid on pro-rata basis.

None of the Directors of the company / Key managerial Personnel had any pecuniary relationship with the Company during the year.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The details of stock options granted to the eligible employees and directors under Arvind Fashions Limited – Employee Stock Option Scheme 2016 (ESOS-2016), Arvind Fashions Limited – Employee Stock Option Scheme 2018 (ESOS-2018) and Arvind Fashions Limited – Employee Stock Option Scheme 2022 (ESOS-2022) are provided in the Directors' Report of the Company.

Please refer point no. 34 of Directors' Report for Employee Stock Option Scheme.

There is neither any pecuniary relationship nor any transactions of the Non-Executive Directors vis-à-vis of the Company except remuneration paid as above.

The Company has disclosed the criteria of making payment to Non-Executive Directors and the same is posted on the website of the Company at https://www.arvindfashions.com/financial-reports/

Senior Management:

Details of the Senior Management Personnel as on March 31, 2024 as defined under Regulation 16(1)(d) of the SEBI Listing Regulations are as follows:

Sl. No.	Name	Designation
1	Mr. Amitabh Suri	CEO – USPA
2	Mr. Anand Iyer	CEO - Arrow
3	Mr. Nitesh Kumar Kanchan	CEO (AFL Digital)
4	Mr. Nidhi Raj	CEO – Flying Machine
5	Mr. Anurag Pandey	CEO – Footwear Division
6	Mr. Rajat Arora	Senior VP - Supply Chain
7	Mr. Lal Sudhakaran	Chief Sourcing Officer
8	Mr. Mallikarjuna Yarabolu	Chief Revenue Officer
9	Mr. Asim Jagdale	Chief Human Resource Officer
10	Mr. Girdhar Kumar Chitlangia	Chief Financial Officer
11	Ms. Lipi Jha	Company Secretary
12	Mr. Ankit Arora	Head – Investor Relations & Treasury
13	Mr. Satish Panchapakesan	Chief Information Officer

During the period under review, there was no change in the list of identified Senior Management Personnel.

3.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors of the Company has constituted the Stakeholders' Relationship Committee ("SRC") in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The SRC of the Company comprises of 4 (four) Directors out of which 2 (two) are Non-Executive Independent Directors and 2 (two) are Non-Executive Non-Independent Directors.

3.3.1 Terms of reference of the Committee, *inter alia,* include the following:

a. Resolve 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 being rendered by the Registrar & Share Transfer Agent; and

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.

3.3.2 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year, the Board of Directors, in their meeting held on November 7, 2023 had re-constituted SRC by way of inclusion of Mr. Govind Shrikhande (DIN: 00029419), Independent Director of the Company as a member of the SRC with immediate effect.

During the year, 2 (two) SRC Meetings were held on May 30, 2023 and February 13, 2024. The Attendance of Members at meetings was under:

Sr. No.	Name of Member	Category	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Kulin Lalbhai	Non-Executive Director	Chairman	2	2
2	Ms. Nithya Easwaran	Non-Executive Director	Member	2	2
3	Mr. Nilesh Shah	Independent Director	Member	2	2
4	Mr. Govind Shrikhande*	Independent Director	Member	2	1

*Mr. Govind Shrikhande (DIN: 00029419) was appointed as an Independent Director of the Company with effect from October 9, 2023 and member of SRC effective November 7, 2023.

3.3.3 Name and Designation of Compliance Officer:

a. Mr. Girdhar Kumar Chitlangia is designated as Compliance officer under SEBI (Prohibition of Insider Trading) Regulations, 2015.

3.3.4 Details of Complaints / Queries received and redressed during the year are as follows:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
0	13	13	0

All the complaints/ queries have been redressed to the satisfaction of the complainants and no shareholders' complaint/ query was pending at the end of the year.

The Chairman of the SRC attended the last AGM held on September 12, 2023.

3.4 RISK MANAGEMENT COMMITTEE

In terms of Regulation 21 of the SEBI Listing Regulations, the Risk Management Committee ("RMC") has been constituted.

The Risk Management Committee comprising of 6 (six) Directors viz. Ms. Nithya Easwaran, Mr. Nilesh Shah, Mr. Nagesh Pinge, Mr. Suresh Jayaraman, Ms. Ananya Tripathi and Mr. Shailesh Chaturvedi, 3 (three) of them are Non-Executive Independent Directors, 2 (two) are Non-Executive Directors and 1 (one) is Executive Director.

3.4.1 Terms of reference of the Committee, *inter alia,* include the following:

a) To formulate a detailed risk management policy which shall include;

1. 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 risk as may be determined by the Committee.

2. Measures for risk mitigation including systems and processes for internal control of identified risks

3. Business continuity plan

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

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

3.4.2 The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year under review, the RMC met 2 (two) times on July 19, 2023 & January 09, 2024 and the attendance of members at meeting was under:

Sr. No.	Name of Member	Category	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Suresh Jayaraman	Non-Executive Director	Chairman	2	2
2	Mr. Nilesh Shah	Independent Director	Member	2	2
3	Mr. Nagesh Dinkar Pinge	Independent Director	Member	2	2
4	Ms. Nithya Easwaran	Non-Executive Director	Member	2	2
5	Mr. Shailesh Chaturvedi	Managing Director	Member	2	1
6	Ms. Ananya Tripathi	Independent Director	Member	2	1

3.5 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has in place a Corporate Social Responsibility (CSR) Committee in line with the provisions of Section 135 of the Act to recommend the amount of expenditure to be incurred on the activities prescribed as per the approved CSR policy and to monitor the Policy of the Company from time to time.

The CSR Committee comprises of three (3) Directors viz. Mr. Kulin Lalbhai, Mr. Punit Lalbhai and Mr. Nilesh Shah out of which two (2) are Non-Executive Directors and one (1) is Non-Executive Independent Director.

3.5.1 Terms of reference of the CSR Committee, *inter alia,* include the following:

a. Formulate and Recommend to the Board, a CSR Policy indicating the activities to be undertaken by Company as specified in Schedule VII of the Act;

b. To finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Act;

c. To review and recommend the amount of expenditure to be undertaken by Company;

d. To monitor the Corporate Social Responsibility Policy of Company from time to time;

e. Review the CSR Report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board Report; and

f. Any other matter as the CSR Committee may deem appropriate after approval of Board or as may be directed by Board from time to time pursuant to the provisions of Section 135 of the Act and rules in relation thereto, as amended from time to time.

3.5.2 Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year under review, the CSR Committee met once in a year on May 30, 2023.

Sr. No.	Name of Member	Category	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Kulin Lalbhai	Non-Executive Director	Chairman	1	1
2	Mr. Nilesh Shah	Independent Director	Member	1	1
3	Mr. Punit Lalbhai	Non-Executive Director	Member	1	1

The Company Secretary act as Secretary to the CSR Committee.

3.6 COMMITTEE OF DIRECTORS

The Board of Directors of the Company has re-constituted the Committee of Directors in its meeting held on November 12, 2020, which comprises of 5 (five) Directors out of which 4 (four) are Non-Executive and 1 (one) is Executive Director.

3.6.1 Role:

The Committee of Directors primary role is to look after the day-to-day business activities of the Company within Board approved direction/ framework. The Committee meets frequently, as and when need arises, to transact matters within the purview of its terms of reference.

3.6.2. The Composition of the Committee as at March 31, 2024 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 22 (twenty-two) times Committee of Directors Meetings were held on various dates. The Attendance of Members at meetings was as under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay Lalbhai	Member	22	22
2	Mr. Kulin Lalbhai	Member	22	22
3	Mr. Punit Lalbhai	Member	22	22
4	Mr. Suresh Jayaraman	Member	22	0
5	Mr. Shailesh Chaturvedi	Member	22	0

4 INFORMATION ON GENERAL BODY MEETINGS

4.1 Annual General Meeting (AGM):

The details of AGM 's convened during the last three (3) years are as follows:

Financial Year	Date	Time	Venue	Items approved by Special Resolutions
2022-23	September 12, 2023	11:00 A.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. To approve payment of Commission to the Non-Executive Directors of the Company. 2. To revise the overall remuneration payable to Mr. Shailesh Chaturvedi (DIN: 03023079), Managing Director & CEO of the Company. 3. To Re-appoint Mr. Nagesh Pinge (DIN: 00062900) as an Independent Director of the Company. 4. To Re-appoint Mr. Achal Bakeri (DIN: 00397573) as an Independent Director of the Company.

Financial Year	Date	Time	Venue	Items approved by Special Resolutions
2021-22	September 26, 2022	02:00 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. To Appoint Mr. Manoj Nakra (DIN: 08566768) as an Independent Director of the Company. 2. To approve to give loans or guarantees or provide security to the Subsidiary and Joint Venture Companies. 3. To consider such number of stock options exercisable into not more than 8,00,000 (Eight Lakhs only) equity shares of the Company of face value of ₹ 4 each, under one or more Employee Stock Option Schemes for the benefit of such person(s) who are in permanent employment of the Company/ Holding Company/ Subsidiary Companies.
2020-21	August 23, 2021	11:00 A.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. To approve appointment of Mr. Shailesh Shyam Chaturvedi, as Managing Director & Chief Executive Officer (CEO) of the Company for a term of five years. 2. To approve raising of funds through issuance of securities of the Company. 3. To approve payment of Remuneration/Commission to Non-Executive Directors and Independent Directors of the Company in case in any financial year, the Company has no profits or its profits are inadequate. 4. To approve to give loans or guarantees or provide security to the Subsidiary and Joint Venture Companies. 5. To approve Re-issue of forfeited shares by the Board of Directors of the Company.

4.2 Extra-Ordinary General Meeting (EGM):

Apart from the Annual General Meeting, no other General Meeting was held during the Financial Year 2023-24.

4.3 Details of Resolution Passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern:

Date of Postal Ballot Notice	October 9, 2023
Voting Period	November 21, 2023 (09:00 a.m.) to December 20, 2023 (05:00 p.m.)
Date of Declaration of Result	December 21, 2023
Date of Approval	December 20, 2023
Person who conducted the postal ballot	Hitesh Buch & Associates, Company Secretaries in practice

Details of Voting:

Resolutions Description	In favour of the resolution			Against the resolution		
	No. of shareholders	Value of Votes	% of votes	No. of shareholders	Value of Votes	% of votes
Appointment of Mr. Govind Shrikhande (DIN: 00029419) as an Independent Director of the Company	706	79938741	99.8409	36	127415	0.1591

Procedure for postal ballot:

The Postal Ballot was carried out in compliance with the Regulation 44 of the SEBI Listing Regulations and as per the provisions of Sections 108 and 110 and other applicable provisions of the Act read with the Rules framed thereunder and with various circulars issued by the Ministry of Corporate Affairs. The postal ballot notice was dispatched containing resolution together with the explanatory statement and remote e-voting instructions through electronic mode to all those members whose e-mail address were registered with the Company/Registrar and Share Transfer Agent ("RTA") or Depository/ Depository Participants and whose names appeared in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories.

The Company engaged National Securities Depository Limited for providing e-voting facility to all its members, to enable them to cast their votes electronically. In terms of relaxations provided by the Ministry of Corporate Affairs, only e-voting facility was provided and physical ballot papers were not provided to the members. The Company had also published notices in the newspapers about the postal ballot and the process as required under the Act and applicable rules.

The Board of Directors had appointed scrutinizer as required under the Act for conducting the postal ballot through remote e-voting process in a fair and transparent manner. The consolidated results of the voting were submitted by the scrutinizer to the Company Secretary within the period specified in the postal ballot notice and the same was simultaneously submitted with the stock exchanges and displayed on the Company's website at https://www.arvindfashions.com/corporate-governance/ and NSDL at www.evoting.nsdl.com.

5 MEANS OF COMMUNICATION

5.1 The Quarterly, half-yearly and yearly financial Results are published in the Financial Express - All India Editions and Financial Express - Gujarati Edition of Ahmedabad. The quarterly/half-yearly and yearly results are also uploaded on NSE's Electronic Application Processing System (NEAPS) and BSE Listing Centre.

5.2 The Company hosts a quarterly earnings call after release of its quarterly/half-yearly/annual results along with discussion on the performance of the business which were well attended by the analysts and investors. This is followed by the question-and-answer session such that whosoever has a question for the management can raise it in the forum. Transcripts of the conference calls are also made available on the Company's website. Information released to the press at the time of declaration of results are also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors. Presentations made to institutional investors/analysts are posted on the Company's website at www.arvindfashions.com.

5.3 The Company's website contains a separate dedicated section on 'Investor Relations' that keep the investors updated on the key and material developments of the Company. It contains comprehensive database of information for the investors including the financial results, Annual Reports of the Company, presentations made to institutional investors or to the analyst, business activities and the services rendered / facilities extended by the Company to our investors, in a user-friendly manner. The basic information about the Company as required in terms of Listing Regulations is also provided on the Company's website and the same is updated regularly.

5.4 NSE's Electronic Application Processing System ("NEAPS") and BSE Listing Centre ("Listing Centre") is a web based system designed by NSE and BSE for corporates. The shareholding pattern, corporate governance report, corporate announcements, financial results and other event based updates/ announcements, etc. are also filed electronically on NEAPS and Listing Centre, which can be accessed at www.nseindia.com and www.bseindia.com.

5.5 The investors' complaints are also being processed through the centralized web-based complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online Action Taken Reports (ATRs) by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

6 GENERAL SHAREHOLDER INFORMATION

6.1 Annual General Meeting:

Date	Monday, August 19, 2024
Time	11:00 A.M (IST)
Venue	Video Conferencing or through Other Audio Visual Means

6.2 Financial Calendar (Tentative):

The Financial Year of the Company is for a period of 12 months from April 1 to March 31.

First quarter results	:	First week of August, 2024
Second quarter results	:	Last week of October, 2024
Third quarter results	:	Second week of February, 2025
Fourth quarter results / Year end results	:	Third week of May, 2025

6.3 Book Closure: August 10, 2024 to August 19, 2024 (bothw days inclusive)

6.4 Dividend Payment Date:

The board of directors of the company have recommended final dividend ₹ 1.25/- on fully paid up equity shares subject to approval of members in the ensuing annual general meeting. If approved by the members of the company the declared dividend will be paid within 30 days from the date of annual general meeting.

6.5 Listing on Stock Exchanges:

- Equity Shares -

Sr. No.	Name of the Stock Exchange	Code	Address
1	BSE Ltd.	542484	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
2	National Stock Exchange of India Ltd.	ARVINDFASN	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

The Company has paid Annual Listing Fees for the year 2023-24 to the above Stock Exchanges.

- Non-Convertible Debentures - The company has not issued any non-convertible securities.

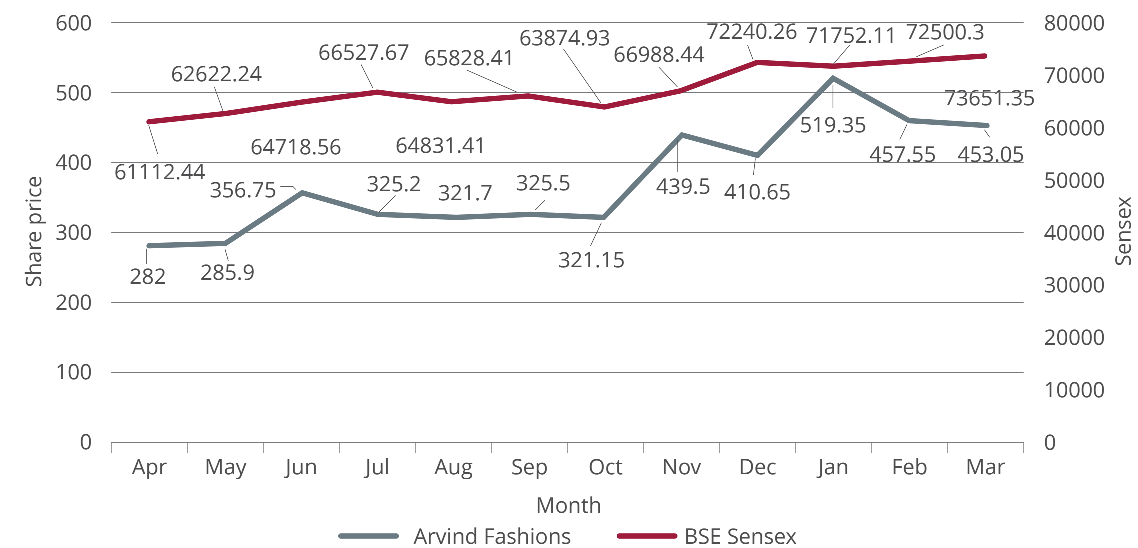
6.6 Market Price Data:

The market price data and volume of the company's share traded in the BSE Limited and the National Stock Exchange of India Limited during the Financial Year 2023-24 were as under:

Month	Share Price BSE		Volumes No. of Shares	BSE Sensex		Share Price NSE		Volumes No. of Shares	NSE (Nifty)	
	High	Low		High	Low	High	Low		High	Low
Apr-23	299.00	279.85	1,44,544	61,209.46	58,793.08	299.00	278.15	18,68,975	18,089.15	17,312.75
May-23	288.65	264.00	2,44,111	63,036.12	61,002.17	288.70	263.95	33,29,967	18,662.45	18,042.40
Jun-23	362.10	282.35	6,29,671	64,768.58	62,359.14	362.90	281.50	81,44,289	19,201.70	18,464.55
Jul-23	359.00	319.90	2,33,588	67,619.17	64,836.16	359.35	323.30	36,16,771	19,991.85	19,234.40
Aug-23	344.95	298.00	2,77,663	66,658.12	64,723.63	347.00	297.80	50,94,442	19,795.60	19,223.65
Sep-23	344.35	310.80	2,08,916	67,927.23	64,818.37	344.90	310.05	45,04,627	20,222.45	19,255.70
Oct-23	377.25	299.15	4,26,414	66,592.16	63,092.98	377.30	298.85	82,18,304	19,849.75	18,837.85
Nov-23	443.40	318.35	8,70,599	67,069.89	63,550.46	442.90	318.40	1,77,86,865	20,158.70	18,973.70
Dec-23	448.00	377.05	3,45,684	72,484.34	67,149.07	444.40	383.55	66,10,027	21,801.45	20,183.70
Jan-24	526.25	401.80	6,86,307	73,427.59	70,001.60	525.90	401.05	1,17,08,489	22,124.15	21,137.20
Feb-24	533.35	423.10	5,86,841	73,413.93	70,809.84	534.00	422.80	79,80,126	22,297.50	21,530.20
Mar-24	473.30	415.15	2,26,427	74,245.17	71,674.42	473.75	415.85	34,88,843	22,526.60	21,710.20

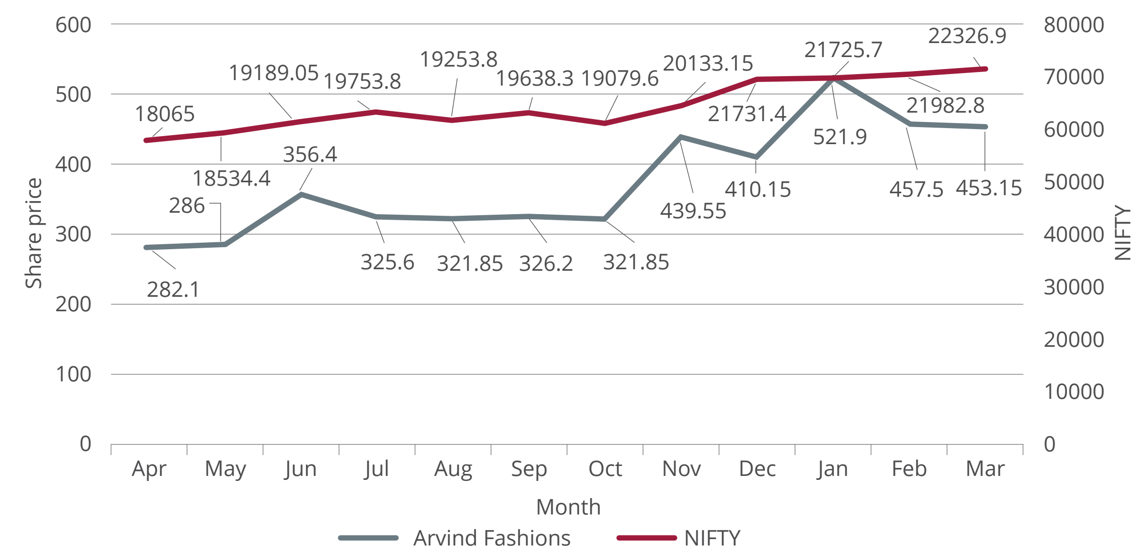
Performance in comparison to broad-based indices viz. BSE Sensex

ARVIND FASHIONS SHARE PRICE MOVEMENT V/S BSE SENSEX



Performance in comparison to broad-based indices viz. NSE Nifty

ARVIND FASHIONS SHARE PRICE MOVEMENT V/S NSE NIFTY



6.7 Registrar And Transfer Agent:

Link Intime India Private Limited
5th Floor, 506 to 508, Amarnath Business Centre-1 (abc-1),
Beside Gala Business Centre (GBC), Near St. Xavier's College Corner,
Off. C. G. Road, Ellisbridge, Ahmedabad-380006.
Phone Nos. 079-26465179/86/87
Fax No. 079-26465179
E-mail: ahmedabad@linkintime.co.in

6.8 Share Transfer System:

(I) Delegation of Share Transfer Formalities:

Since the Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. However, shares in the physical form are processed by the Registrar and Share Transfer Agent. However, to expedite the transfers, the Board has delegated share transfer formalities to certain officers of the Company and Registrar and Share Transfer Agent, who attend to them at least 3 times in a month. Physical transfers are affected within the statutory period of one month. The Board has designated the Company Secretary as the Compliance Officer. The requests, if any, for share transfer, transmission, sub-division, consolidation, renewal, remat, duplicate etc. are processed and share certificates duly endorsed / issued are dispatched within the prescribed time period, subject to documents being valid and complete in all respects.

(II) Share Transfer Details for the period from April 1, 2023 to March 31, 2024:

Transactions	Physical
Number of Transfers	0
Average Number of Transfers per month	0
Number of Shares Transferred	0
Average Number of shares Transferred per month	0
No. of Pending Share Transfers	0

(III) Investors' Grievances:

The Registrar and Share Transfer Agent under the supervision of the Secretarial Department of the Company look after investors' grievances. Link Intime India Private Limited is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At each Meeting of the Stakeholders' Relationship Committee, all matters pertaining to investors including their grievances and redressal are reported.

6.9 Shareholding Pattern as on March 31, 2024:

Category	Number of shares	Shareholding in percentage (%)
Promoters and Promoter Group	4,89,06,359	36.78
Mutual Funds	1,26,04,758	9.48
Financial Institutions, Banks, Insurance Companies, Alternative Investment Funds & Central/State Government	15,81,537	1.19
Foreign Portfolio Investors, Foreign Institutional Investors, NRIs, Foreign Banks, Foreign Nationals	2,17,57,869	16.36
NBFCs registered with RBI	1,152	0.00
Bodies Corporate	58,41,194	4.39
Individuals	4,13,92,580	31.13
Trusts	3,260	0.00
Hindu Undivided Family	8,92,821	0.67
Clearing Members	2,350	0.00
Overseas Bodies Corporate	580	0.00
Total shareholding	13,29,84,460	100

6.10 Distribution of shareholding as on March 31, 2024:

Sr. No.	Shareholding Of Shares			Shareholder	Percentage of Total	*Total shares	Percentage of Total
1	1	to	500	166235	96.64	5997077	4.51
2	501	to	1000	2551	1.48	1926193	1.45
3	1001	to	2000	1452	0.84	2113567	1.59
4	2001	to	3000	536	0.31	1342894	1.01
5	3001	to	4000	268	0.16	942034	0.71
6	4001	to	5000	192	0.11	890318	0.67
7	5001	to	10000	351	0.20	2525885	1.90
8	10001	to	**********	421	0.24	117221695	88.16
Total				**172006**	**100.00**	**132959663***	**100.00**

*Excluding 24,689 partly paid up shares.

6.11 Dematerialisation of shares and liquidity:

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on March 31, 2024, 13,24,92,555 shares representing 99.63% of the issued capital have been dematerialised by investors and bulk of transfers take place in the demat form.

Demat ISIN: Equity Shares fully paid: INE955V01021

6.12 Outstanding GDRs / ADRs / Warrants or any convertible instruments and conversion date and likely impact on equity:

Company had not issued any GDRs / ADRs / Warrants or any convertible instruments, hence this is not applicable.

6.13 Commodity price risk or foreign exchange risk and hedging activities:

The Company does not engage in commodity trading, hedging activities

Forex Risk:

Company is exposed to foreign exchange risk on account of import transactions entered into and committed royalty payments to licensee of the Brands. For import of apparel & accessories and payment of Royalties the Company has to make payment in USD terms; therefore the Company is exposed to the risk of depreciation in the local currency. The company is proactively mitigating these risks by entering into commensurate hedging transactions with banks/Financial Institutions as per applicable guidelines.

6.14 Plant Locations:

The Company does not have any manufacturing plants.

6.15 Unclaimed Dividend:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

Due Dates for Transfer of Unclaimed Dividend to the IEPF:

Year	Dividend	Date of Declaration	Due Date for transfer to IEPF
FY23	Final Dividend	September 12, 2023	October 19, 2030

6.16 Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act are requested to submit the prescribed Form SH-13 for this purpose. Shareholders can access the desired form from the website of the Company at https://www.arvindfashions.com/wp-content/uploads/2022/01/Form-No.-SH-13-Registration-of-Nomination.pdf or alternatively may an e-mail write to the Company at investor.relations@arvindfashions.com.

6.17 List of all Credit Ratings obtained by the entity

Credit Ratings obtained by the Company during the year are available on Company's website at www.arvindfashions.com.

6.18 Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Share Transfer of the Company:

Arvind Fashions Limited Secretarial Department Naroda Road, Ahmedabad - 380025. Phone Nos: 079-68268000/68268108-09 E-mail: investor.relations@arvindfashions.com Website: www.arvindfashions.com	Link Intime India Private Limited 5th Floor, 506 to 508, Amarnath Business Centre-1 (abc-1), Beside Gala Business Centre (GBC), Near St. Xavier's College Corner, Off. C. G. Road, Ellisbridge, Ahmedabad - 380006. Phone No. 079-26465179/86/87 Fax No. 079-26465179 E-mail: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

7 OTHER DISCLOSURES

7.1 There are no materially significant transactions with the related parties viz. promoters, directors or the management or their relatives or subsidiaries etc. that had potential conflict with the company's interest at large or which warrants the approval of the shareholders. Suitable disclosure as required by the Indian Accounting Standard has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's Website at https://www.arvindfashions.com/wp-content/uploads/2022/06/Related-Party-Transaction-Policy.pdf

7.2 Transactions with related parties are disclosed in detail in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

7.3 There are no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company which has potential conflict with the interests of the company at large.

7.4 The Company is in full compliance with the matters related to capital market and that no Strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

7.5 The Company has formed the policy for determining material subsidiary as required by Regulation 16 of the SEBI Listing Regulations and the same is disclosed on the Company's website. The web link is https://www.arvindfashions.com/wp-content/uploads/2018/11/AFL-Policy-on-Material-Subsidiaries.pdf.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings and the same is uploaded on the website of the Company at https://www.arvindfashions.com/financial-reports/.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are given to all the Directors and are tabled at the subsequent Board Meetings.

7.6 Vigil Mechanism:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder's responsibility.

The Company has a Whistleblower Policy (WB Policy) that provides a framework and avenue for all directors, employees, business associates and other stakeholders which are a part of the business ecosystem of the Company for reporting, in good faith, instances of unethical/ improper conduct in the Company and commitment in adhering to the standards of ethical, moral and fair business practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated helpline "Arvind Ethics Helpline" has been set up which is managed by an independent professional organization.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

Website for Complaints: www.in.kpmg.com/ethicshelpline/Arvind

Toll Free No.: 1800 200 8301

Dedicated Email ID: arvind@ethicshelpline.in

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

No personnel have been denied access to the Chairman of the Audit Committee for making complaint on any integrity issue.

7.7 The minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of of SEBI Listing Regulations is complied with to the extent possible.

7.8 Certification from Company Secretary in Practice:

Mr. N. V. Kathiria, Proprietor of M/s. N. V. Kathiria & Associates, Practicing Company Secretaries, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

7.9 Complaints pertaining to Sexual Harassment:

The details of the complaints received during the financial year under review are as follows:

Sl. No.	Particulars	No. of Complaints
1	Complaints filed during the financial year	0
2	Complaints disposed off during the financial year	0
3	Complaints pending at end of the financial year	0

7.10 CEO/CFO Certification:

The Managing Director & CEO and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms a part of the Annual Report.

7.11 Details of total fees paid to Statutory Auditors:

The total fees for all services paid by the Company and Arvind Lifestyle Brands Limited, wholly owned subsidiary, to the statutory auditor is ₹ 1.68 Crores.

7.12 Disclosure of certain types of agreements binding listed entities:

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

7.13 Details of material subsidiaries:

Sl No.	Name of material subsidiaries	Date of incorporation	Place of incorporation	Name of statutory auditors	Date of appointment of statutory auditors
1	Arvind Lifestyle Brands Limited	13/02/1995	Ahmedabad	Deloitte Haskins & Sells	30/09/2021
2	Arvind Youth Brands Private Limited	27/02/2020	Ahmedabad	SRBC & Co. LLP	27/06/2020

7.14 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements as stipulated under SEBI Listing Regulations.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI Listing Regulations, is provided below:

a. **The Board:** The Chairman of the Company is Non-Executive Director.

b. **Shareholder Rights:** Half-yearly and other Quarterly financial statements are published in newspapers but the same are not being sent to the shareholders.

c. **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.

d. **Separate posts of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Chairman and Mr. Shailesh Shyam Chaturvedi is the Managing Director & CEO of the Company.

e. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on May 21, 2024 and the same was approved.

For and on behalf of the Board

Sanjay Lalbhai	**Shailesh Chaturvedi**
Chairman & Director	Managing Director & CEO
DIN: 00008329	DIN: 03023079
Place: Ahmedabad	Place: Bangalore
Date: May 21, 2024	Date: May 21, 2024

CEO / CFO certification

To
The Board of Directors,
Arvind Fashions Limited,

Re: Financial Statements for the year 2023-24 - Certification by CEO and CFO

We, Shailesh Chaturvedi, Chief Executive Officer and Managing Director, and Girdhar Kumar Chitlangia, Chief Financial Officer of Arvind Fashions Limited, hereby certify to the Board that:

A) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:

   (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D) We have indicated to the auditors and the Audit committee

   (1) Significant changes in internal control over financial reporting during the year;

   (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
Shailesh Chaturvedi	**Girdhar Kumar Chitlangia**
Managing Director & CEO	Chief Financial Officer
DIN: 03023079	

Place: Bangalore
Date: May 21, 2024

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is available on the Company's website at www.arvindfashions.com.

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

Place: Bangalore
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director & CEO
DIN: 03023079

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of
Arvind Fashions Limited

We, N. V. Kathiria & Associates, Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para–C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedure to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our examination was limited to a review of the procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para–C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended on March 31, 2024.

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

For **N. V. KATHIRIA & ASSOCIATES**
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
PR Cert. No. 1085/2021
UDIN: F004573F000410902

Date: 21.05.2024
Place: Ahmedabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Arvind Fashions Limited
Main Building, Arvind Limited Premises,
Naroda Road, Ahmedabad- 380025. (Gujarat)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Arvind Fashions Limited** having CIN: L52399GJ2016PLC085595 and having registered office at Main Building, Arvind Limited Premises, Naroda Road, Ahmedabad- 380025 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sanjaybhai Shrenikbhai Lalbhai	00008329	07/02/2017
2.	Mr. Nagesh Dinkar Pinge	00062900	10/10/2018
3.	Mr. Govind Shrikhande	00029419	09/10/2023
4.	Mr. Achal Anil Bakeri	00397573	10/10/2018
5.	Mr. Nilesh Dhirajlal Shah	01711720	07/02/2017
6.	Mr. Shailesh Shyam Chaturvedi	03023079	12/11/2020
7.	Mr. Suresh Jayaraman	03033110	01/08/2018
8.	Ms. Nithya Easwaran	03605392	07/02/2017
9.	Mr. Punit Sanjay Lalbhai	05125502	02/04/2019
10.	Mr. Kulin Sanjay Lalbhai	05206878	07/02/2017
11.	Mr. Manoj Nakra	08566768	01/07/2022
12.	Ms. Ananya Tripathi	08102039	14/03/2023

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

For **N. V. KATHIRIA & ASSOCIATES**
Company Secretaries

N. V. KATHIRIA
PROPRIETOR
FCS 4573 COP 3278
UDIN: F004573F000410957

Date: 21.05.2024
Place: Ahmedabad

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L52399GJ2016PLC085595
2.	**Name of the Listed Entity**	Arvind Fashions Limited
3.	**Year of incorporation**	2016
4.	**Registered office address**	Arvind Limited, Naroda Road, Ahmedabad – 380035, Gujarat, India
5.	**Corporate address**	Duparc Trinity, Service Road, M G Road, Bangalore – 560001
6.	**E-mail**	investor.relations@arvindfashions.com
7.	**Telephone**	080 - 4155 0601
8.	**Website**	Arvind Fashions - Powering Fashion in India
9.	**Financial year for which reporting is being done**	FY 2023-24
10.	**Name of the Stock Exchange(s) where shares are listed**	1. BSE Limited (Scrip Code: 542484) 2. National Stock Exchange of India Limited (Symbol: ARVINDFASN)
11.	**Paid-up Capital**	INR 53.19 Crores
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Mr. Ankit Arora, Head of Investor Relations, Treasury & Sustainability Telephone: +91 – 9920664475 Email id: ankit.arora@arvindfashions.com
13.	**Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures made in this report are on consolidated basis

	Name of the Subsidiaries/JVs/Associate Companies	CIN Number
	Arvind Lifestyle Brands Limited	U64201GJ1995PLC024598
	Arvind Beauty Brands Retail Limited (Up till November 2, 2023)	U52100GJ2015PLC082996
	Arvind Youth Brands Private Limited	U52100GJ2020PTC112995
	Value Fashion Retail Limited	U52609DL2020PLC362661
14.	**Name of assurance provider**	Not Available
15.	**Type of assurance obtained**	Not Available

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY24)
1	Wholesale and Retail Trading of Ready-Made Garments and Accessories	Wholesale and Retail Trading of Apparel and Non-Apparel Fashion Products (Footwear, Belts, Bags etc.)	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Wholesale Trading of Fashion Brands	4641	65%
2	Retail Trading of Fashion Brands	4771	35%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	5	5
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States/UTs)	28
International (No. of Countries)	12

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0.73%

c. A brief on types of customers

Considering the nature of business, we deal with customers from multiple geographies.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1244	968	78%	276	22%
2.	Other than Permanent (E)	5201	4402	85%	799	15%
3.	**Total employees (D + E)**	**6445**	**5370**	**83%**	**1075**	**17%**
	WORKERS					
4.	Permanent (F)	NA				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

b. Differently abled Employees and Workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0%**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	**Total differently abled workers (F + G)**	**0**	**0**	**0%**	**0**	**0%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (BOD)	12	2	16.67%
Key Management Personnel (KMP)	3	1	33.33%

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	78.12%	21.88%	26.4%	65.10%	34.90%	100%	52.10%	47.9%	100%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Arvind Lifestyle Brands Limited	Subsidiary	100	Yes
2	Arvind Beauty Brands Retail Limited	Subsidiary	100	Yes
3	Arvind Youth Brands Private Limited	Subsidiary	68.75	Yes
4	Value Fashion Retail Limited	Subsidiary	100	Yes
5	PVH Arvind Fashion Private Limited	Controlled Entity Jointly owned with PVH BV	50	No

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in ₹) - 4,259.12 Crores

(iii) Net worth (in ₹) - 1,192.42 Crores

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	www.arvindfashions.com/corporate-governance/	0	0	-	0	0	-
Communities		0	0	-	0	0	-
Shareholders		13	0	-	3	0	-
Employees and workers		0	0	-	0	0	-
Customers		70724	0	-	717911	0	-
Value Chain Partners		0	0	-	0	0	-
Others		0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Opportunity and Risk	**Risk**: While energy contributes to the growth of textile and apparel industry, resulting emissions are a dampener for environmental health. Increasing demand of textile and apparels in the world, followed by increased production is the cause of higher GHG emissions. **Opportunity**: Improving upon the energy efficiency and increasing renewable usage will support us in cutting down the energy expenses and achievement of pertinent emission reduction commitments.	Arvind Fashions have developed an energy policy to continually improve the energy performance, flatten the energy demand curve and reduce the carbon footprint. Additionally, Arvind Fashions is focusing on increasing renewable energy uptake in the energy mix.	**Positive**: Initially there will be additional cost to adopt new technologies, however in the long run it will shield from fossil fuel price increase. **Negative**: Increased production cost due to change in input prices of fossil fuels.
2	Water and Wastewater Management	Opportunity and Risk	**Risk**: Increased water consumption and constrained water supply are among the most critical global risks. Considering Arvind's huge dependency on water for the viability of its operations, it is identified as a material risk. **Opportunity**: Arvind Fashions have made commitments to reduce their water use; thus, adopting water saving practices will give us an edge	Arvind Fashions has made commitments to reduce the water consumption in both production and domestic by using water conservation technologies such as working with the factories whose ETP is ZLD and freshwater consumption reduction by promoting rainwater harvesting	**Positive**: Initially there will be additional cost to adopt new technologies. However, in the long run, it will shield from water price and availability issues. Thus, helping maintain a control over the operating expenses. **Negative**: Increased production cost due to change in input prices of water, driven by water availability and quality issues
3	Circularity	Opportunity	Focusing towards shifting from liner model 'Take › make › dispose' to a circular model of 'Make › use › return'. For the better use of resources, extend material usage life and also contribute to reducing generation of associated emissions and waste	The organization has a standard procedure to receive and take back damaged products which are then reused and resold	**Positive**
4	Health Safety and Wellbeing	Risk	Failure to identify risk related to employee's welfare can lead to injuries, illness and even fatalities. Consumers and stakeholders increasingly value ethical and sustainable practices. Failing to address health and safety risks can tarnish an organization's reputation, leading to decreased consumer trust and loyalty. In a globalized supply chain, risks related to health and safety can affect the entire production process.	Regular training programmes and health check-ups have been conducted for the employees. Heath insurance have been provided to the employees and their dependents. Partnered with third party vendor to offer discounted diagnostic services to employees. Regularly conduct wellness sessions for the employees by experienced ergonomic specialists from third party agency.	**Negative**: Any fatalities or medical cost will directly have impact on cost

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Talent attraction and retention	Risk	Inability to retain trained skilled employees or attract candidates with right skill set may lead to increase in cost of operations. Talent attraction and retention directly impact an organization's ability to achieve its goals. High turnover or difficulties in attracting skilled individuals can hinder productivity, innovation, and the overall quality of work delivered.	Industry benchmarking of compensation on annually basis for salaries and benefits. Streamlining of recruitment processes to attract the right candidates and ensure smooth onboarding experiences to enhance retention. Developing robust succession plans and talent management strategies to identify and nurture future leaders within the organization. Providing clear career paths, continuous learning opportunities, and development programs to engage employees and foster loyalty.	**Negative**
6	Human Rights	Risk	Violation of human rights triggers conflicts and instability and causes severe risk in the overall reputation on the organization	The company's Code of Conduct and the HR policies and processes adequately address the aspects of human rights	**Negative**
7	Data Privacy and Cybersecurity	Risk	In today's world, where entire business operations/activities are largely dependent on the internet or usage of technology, technology failures or cyber-attacks can disrupt operations, leading to downtime and loss of productivity. Risks such as data breaches or unauthorized access can compromise sensitive information, resulting in financial loss, legal implications, and damage to reputation. Technology-related risks can also impact customer trust and loyalty.	Regular assessment helps to identify potential technology risks, including cybersecurity threats, system vulnerabilities, compliance gaps, and technological obsolescence. Enhanced cybersecurity by implementing firewalls, encryption, multi-factor authentication, regular security audits and educated employees about cybersecurity best practices to mitigate human error. Established and maintained robust backup and disaster recovery plans to ensure data integrity and minimize downtime in case of system failures, cyber-attacks, or natural disasters.	**Negative**

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	corporate governance - Arvind Fashions								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	Flame penetration test certificate from The Automotive Research Association of India (ARAI)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Arvind Fashions has carried out materiality assessment to arrive at their key material aspects relevant to their business. Future goals and targets on the key material aspects will be set and performance will be monitored								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	As a sector serving the fashion industry, keeping up with the pace, the change and the upgrades defines our commitments towards the ever-changing fast fashion. Today's fashion industry is a vibrant and complex realm, embodying a fusion of cultural movements, technological progress, and international impacts. We explore new innovations while keeping the 360-degree approach of ESG in conjunction with our products. The ESG aspects are an integral part of the company's core principles. With ESG evolving across industries and dovetailing in business essentials, we look ahead to expand more in our scope towards ESG, starting from our products, operations and to all our stakeholders. The fashion industry is known for its significant environmental footprint and social impact, which has led to an increased focus on ESG factors within the industry. ESG for us is not limited to our operations but is extended to our entire value chain with practices such as responsible procurement and social value creation through development of our people and communities. Our products assist our customers to realize responsible utilization and consumption, with added value of sustainable integration into their day-to-day activities. Our commitment towards a sustainable environment is reflected through our practices and implementation of responsible usage of products, contribution to the society, all through a strong and robust governance function.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	We envisage to position sustainability at core of our business agenda by both creating enriched consumer experience and delivering long-term value. We shall enhance our sustainability performance by focusing end-to-end value chain starting from design to distribution. As part of this journey, we shall adopt a pragmatic approach focusing on key themes such as decarbonization, sustainable products and packaging, and building inclusive and progressive workspaces and communities. On this path, we will take a practical stance, centering our efforts on crucial areas like reducing carbon emissions, developing eco-friendly products and packaging, and fostering diverse and forward-thinking work environments and communities.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Name: Mr. Shailesh Chaturvedi DIN: 03023079 Designation: Managing Director & CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has a Board level, Enterprise Risk Management Committee, which is responsible for decision-making on sustainability related issues and chaired by Non-Independent, Non-Executive Director. The ERM team focuses on environmental and social issues, the impact of such issues on the continuity of the business and way forward to address such issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committee of the board									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the board									Annually								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The company has not carried out assessment/ evaluation by external agency.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentages of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	4	1. Updating about scale and details of operations of the company 2. Updating on recent changes in the regulatory requirements 3. Updating on Rights and Responsibilities of Directors in line with the statutory amendments	100%
Key Managerial Personnel (KMPs)	4	1. POSH 2. Code of Conduct 3. Insider Trading 4. Arvind Management Essentials Program 5. Accelerating Leadership Potential	100%
Employees other than BoD and KMPs	63	1. POSH, 2. Code of conduct, 3. Arvind Management Essentials Program, 4. Lateral Thinking, 5. Advanced Excel, 6. Accelerate Your Leadership potential, 7. Macros & Power Query, 8. MDP on strategic- sourcing, 9. Financial Wellness, 10. Omni channel Retailing, 11. Six Sigma Program, 12. Presentation skills, 13. Business Communication, 14. creative Problem-Solving Season Training, 15. Omni Process Training, L0-L1, 16. IST Process, 17. Product Training, 18. VM Training, 19. Wooqer User Training, 20. Grooming, 21. Service Culture & Selling Skills CRM Training, 22. X Store Training, 23. Customer Service, 24. USPA Website Training, 25. Festive offer SOP Training	91%
Workers	NA	NA	NA

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
a. Monetary	**NGRBC Principle**	**Name of the regulatory/ Enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	-	-	0		-
Settlement	-	-	0		-
Compounding fee	-	-	0		-
b. Non-Monetary	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ Judicial institutions**	**Brief of the Case**		**Has an appeal been preferred? (Yes/No)**
Imprisonment	-	-	-		
Punishment	-	-	-		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Anti-bribery or anti-corruption is a part of the Company's Code of Conduct, whistle blower policy, ethics policy which articulates the group's dedication to conducting business with integrity, adhering to relevant anti-bribery laws and standards. These policies aim to provide clear guidance, ensure compliance with anti-corruption laws, foster an ethical culture, and protect its employees' reputations while minimizing the risk of fines and penalties. These policies are applicable universally to all employees of the Company and its group companies. The Company also expects adherence to these principles from its business partners, which include suppliers, service providers, agents, and channel partners (such as dealers and distributors). These policies are available on the website of the Company as well as internal platform created by the Company for the convenient access to all the employees. www.arvindfashions.com/corporate-governance/

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 Current Financial Year		FY 2022-23 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Number of days of accounts payables	168 days	180 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format

Parameter	Metrics	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	48.73%	49.62%
	b. Number of dealers / distributors to whom sales are made	831	892
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributor	55.16%	58.39%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.225	0.0136
	b. Sales (Sales to related parties / Total Sales)	0.0001	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Broader topics of Labor Standards, Human Rights, Health and Safety and Unethical practices	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has formulated the policies to manage the conflict of interest, applicable on stakeholders of the Company.

Yes, Arvind Fashions have a Code of Conduct for Directors and Senior Management Personnel. Each Board Member or Senior Management Personnel should endeavor to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Board Members and Senior Management Personnel should avoid receiving or permitting members of their immediate family to receive, improper personal benefits from the Company including loans from or guarantees of obligations by the Company. A Board Member should make a full disclosure to the entire Board of any transaction or relationship that such a Board Member reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions or relationships.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Not applicable	Not applicable	We do not allocate a separate capital expenditure for R&D; however, research and development are integral to our process when developing trims and products
Capex	Not applicable	Not applicable	

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Arvind Fashions have procedures in place for sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?

- 100% of all polybags, constitute 50% more than recycled plastic
- 30% of the total volume we used recycled polyester threads
- 100% of all labels, constitute 25% more than recycled polyester

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We at Arvind Fashions has framed waste management policy and below are the actions taken to dispose the wastes generated,

a. **Plastic Wastes:** All the plastic wastes generated from the packaging are disposed to SPCB approved Recycler for recycling.

b. **E wastes:** All the E wastes (Tube Lights, Computer Scraps) are disposed to SPCB approved Recycler for recycling.

c. **Hazardous Waste:** NA

d. **Other Wastes:** Other wastes viz., Carton box wastes, paper wastes are disposed to SPCB approved Recycler for recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Arvind Fashions is registered under EPR regulations, and the plastic wastes are categorized under LDPE and PET.

Arvind Fashions was associated with Nepra for Plastic waste recycling across India. Based on the sales data, the plastic weight and Nepra has collected and recycled as per the agreed quantities. In this process, a quantity of 367.52 MT/Yr. was recycled.

"Arvind Envisol" was also identified that would help in collection of plastic from the pickers that would further be recycled in a sustainable manner. A half yearly report would be submitted as per CPCB format to meet the Plastic waste Management rules.

Leadership Indicators

1. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Recycled Polybag	100% of all polybags, constitute 50% more than recycled plastic	100% of all polybags, constitute 50% more than recycled plastic
Recycled Polyester Thread	30% of the threads are recycled threads	10% of the threads are recycled threads
Recycled Labels	100% of all labels, constitute 25% more than recycled polyester	100% of all labels, constitute 25% more than recycled polyester

2. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled (MT)	Safely Disposed
Plastics (including packaging)	Blow film Roll: 321.597 MT	Plastic Granules (PP, HDPE, LDPE, HM) From Plastic waste: 518.41 MT	-	-	367	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	NA	-	-	NA	-
Other waste	-	Drum Chips: 415.64 MT	-	-	1032	-

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No.(B)	% (B/A)	No.(C)	% (C/A)	No.(D)	% (D/A)	No.(E)	% (E/A)	No.(F)	% (F/A)
Permanent employees											
Male	968	968	100%	968	100%	-	-	968	100%	0	0%
Female	276	276	100%	276	100%	276	100%	-	-	0	0%
Total	**1244**	**1244**	**100%**	**1244**	**100%**	**276**	**22%**	**968**	**78%**	**0**	**0%**
Other than Permanent employees											
Male	4402	0	0%	0	0%	-	-	0	0%	0	0%
Female	799	0	0%	0	0%	0	0%	-	-	0	0%
Total	**5201**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No.(F)	% (F/A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	Not Applicable										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company	0.0021%	0.0023%

2. Details of retirement benefits.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	100%	NA	Yes	100%	NA	Yes
Other	-	-	-	-	-	-

3 Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the offices of the company are accessible to differently abled employees and workers in line with Rights of Persons with Disabilities Act, 2016. The installed features include ramps and lift facilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Arvind Fashions Limited ensures that the employees are treated fairly and with equality, regardless of their race, sex, or disability. All the employees have equal chance to apply for any internal job postings or promotions, and training opportunities at the workplace.

The policy is available internally at https://brands.onearvind.com/

5 Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	**100%**	**100%**	**-**	**-**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Arvind Fashions has a grievance mechanism and link to the website is given below: Whistleblower policy (arvindfashions.com)
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	968	523	54.03	566	58.47	784	656	83	722	92
Female	276	186	67.39	132	47.83	564	422	74	538	95
Total	**1244**	**709**	**56.99**	**698**	**56.11**	**1348**	**1078**	**79**	**1260**	**93**
Permanent Workers										
Male	Not applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	968	968	100	1265	1265	100
Female	276	276	100	427	427	100
Total	**1244**	**1244**	**100**	**1692**	**1692**	**100**
Permanent Workers						
Male	Not applicable					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, Arvind Fashions has Safety, Health & Environment (SHE) policy which endeavors to create safe and healthy working environment at all our facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Arvind Fashions follow the Hazard Identification and Risk Assessment (HIRA) framework for identifying work-related hazards and risk assessment. This framework helps in carrying out systematic identification of potential risks, evaluate existing safeguards available to control these risks and develop additional control measures to reduce the risk to acceptable level.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, Arvind Fashions have a process in place for workers to report the work-related hazards and it is included in the Occupational Health and Safety Procedures Manual. Additionally, Arvind Fashions conduct trainings, mock drills, safety talks and seminars for raising awareness of the workers.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

The employees are covered for health and accidental insurance. Additionally, basic paramedical services within the premises are provided to everyone.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At Arvind Fashions, HIRA has been carried out for all the operations involved in the daily routines and every floor is provided with Secondary Exits equipped with emergency evacuation plan. Regular Fire Mock drills and Health checkups are provided to the employees for a better safe and healthy workplace. In addition to these following practices are observed and carried out in the premises:

- First Aid box provided on all the floors of the office.
- Medical Room with Doctor and Nurse available during working hours.
- Routine health check-up, Medical Camp with Blood donation and Eye examination are organized on a regular basis.
- Safety drill and fire drill are organized frequently among employees, housekeeping staff and security staff.

13. Number of complaints on the following made by employees and workers

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	There are no complaints received	0	0	There are no complaints received
Health & Safety	0	0		0	0	

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant risks or concerns were highlighted in the assessment carried out for the financial year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, at Arvind Fashions, Arvind Care covers wide range of benefits like term life insurance, EDLI, death benefit voluntary contribution to the employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Arvind Fashions ensures that all statutory dues have been deducted and deposited by the value chain partners in accordance with applicable laws and regulations.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Employees	0	0	0	0
Workers	NA	NA	NA	NA

4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%, we conduct audit on the principles of Responsible Supply chain (RSC) guidelines which covers the Health and Safety practices, Labour and Human rights regulations where the supply chain needs to be met. The audit is conducted every year.
Working Conditions	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No such significant risks/concerns were observed during the assessment of health and safety practices and working conditions of value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Internal and external group of stakeholders have been identified. Presently the given stakeholder groups have the immediate impact on the operations and working of the company. This includes Employees, Shareholders & Investors, Customers, Communities and Vendors.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Emails/Meetings Townhall	Ongoing process	1. Employee welfare programs 2. Health and safety trainings 3. Learning and Personnel skill development programs
Value Chain partners	No	Frequent Vendor communication/ Vendor meeting	Ongoing process	1. Arvind Fashions RSC guidelines 2. Social compliance requirement'
Customers	No	SMS, Email, Website and social media	Ongoing process	Customer Complaints
Regulatory Bodies	No	Meetings, Emails	Ongoing process	1. Submission of Annual regulatory reports 2. Attending the meetings held by regulatory bodies
Community	Yes	Meetings, Emails	Ongoing process	Impact Assessment and CSR Intervention Monitoring and Evaluation

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Board of Directors at Arvind Fashions has constituted various Board Committee - Stakeholder's Relationship Committee, Environmental Social and Governance committee, Enterprise Risk Management Committee. Meetings of these committees are convened by the respective committee chairman/company secretary. The various Board committees receive their inputs based on interactions between the stakeholders and our various departments. These departments engage with stakeholders and the feedback of these discussions are provided to the Board by placing the meeting minutes of these committees before the Directors for their perusal and noting.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the environmental and Social Topics identification was done in tandem with the stakeholder identification was carried out. During this assessment, key material issues were identified by us. For managing these issues, we have incorporated various policies and procedures and implemented various initiatives.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Not Applicable

Principle 5: Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1244	1132	91.00%	1692	1184	69.98%
Other than permanent	5201	4176	80.29%	4378	3515	80.29%
Total employees	**6445**	**5308**	**82.36%**	**6070**	**4699**	**77.41%**
Workers						
Permanent	Not applicable					
Other than permanent						
Total workers						

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	968	4	0.41	964	99.59	1265	0	0	1265	100
Female	276	0	0	276	100.00	427	0	0	427	100
Total	**1244**	**4**	**0.32**	**1240**	**99.68**	**1692**	**0**	**0**	**1692**	**100**
Other than Permanent										
Male	4402	3271	74%	1131	26%	2431	1491	61%	940	39%
Female	799	603	75%	196	25%	354	251	71%	103	29%
Total	**5201**	**3874**	**74%**	**1327**	**26%**	**2785**	**1742**	**63%**	**1043**	**37%**
Workers										
Permanent										
Male	Not Applicable									
Female										
Total										
Other than Permanent										
Male	Not applicable									
Female										
Total										

3. Details of remuneration/salary/wages, in the following format*:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	10	INR 8.05 Lakhs	2	INR 7.2 Lakhs
Key Managerial Personnel	2	INR 677.76 Lakhs	1	INR 45 Lakhs
Employees other than BoD and KMP	967	INR 9 Lakhs	275	INR 8.78 Lakhs
Workers	0	-	0	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 Current Financial Year	FY 2023 Previous Financial Year
Gross wages paid to females as % of total wages	18.63%	18.50%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Arvind Fashions have individuals and committees that looks into the matters addressed with respect to human rights impacts or issues caused or contributed to by the business. A respective committee with 4 internal and external members exist in each of the offices located in Bangalore (Corporate and Regional Office), Delhi (Regional Office), Mumbai (Regional Office) and Kolkata (Regional Office) that address the issues reported with respect to human rights. These committees act as Disciplinary Committee as well in the respective locations.

In addition to the committees, Arvind Fashions also has a team of DEI (Diversity, Equity and Inclusion) Champions to look into the overall diversity of the organization.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievances related to Human rights impacts or issues at Arvind are addressed via the Whistle Blower Committee and/or the Internal Grievance Redressal Body depending upon the nature of the matter.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	2	0	All the Sexual Harassment cases reported during the year FY 2023-24 in Arvind Fashions and its subsidiaries have been satisfactorily addressed before 31st March 2024	3	1	All the Sexual Harassment cases reported during the year FY 2022- 23 in Arvind Fashions and its subsidiaries have been satisfactorily addressed before 31st March 2023 except one case which is pending for final disposal
Discrimination at workplace	0	0	No cases found	0	0	No cases found
Child Labour	0	0	No cases found	0	0	No cases found
Forced Labour/ Involuntary Labour	0	0	No cases found	0	0	No cases found
Wages	0	0	No cases found	0	0	No cases found
Other human rights related issues	0	0	No cases found	0	0	No cases found

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	4
Complaints on POSH as a % of female employees / workers	0.2%	0.4%
Complaints on POSH upheld	0	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

For handling the complaints of discrimination, harassment, or any other complaint under the scope of the Whistle Blower and POSH Policies, the identification of the complainant is kept confidential. Further every internal and external stakeholder has set obligations to follow, to prevent the adverse consequences to the complainant by adhering to the following mechanism (for more details refer to the Whistle Blower and POSH policies: Ensure that the complainant is not victimized for doing so and is adequately protected against any such incident. Treat victimization as a serious matter including initiating disciplinary action on such person/(s) that subjects or threatens to subject the other person to any detriment.

Ensure complete confidentiality by,

- Maintaining complete confidentiality / secrecy of the matter
- Not discussing the matter in any informal / social gatherings / meetings
- Discussing only to the extent or with the persons required for the purpose of completing the process and investigations

- Not keeping the papers unattended anywhere at any time
- Keeping the electronic mails / files under password

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes, the Code of Conduct of Arvind Fashions covers the human rights requirements, below listed policies are pertaining to human rights requirements:

   - Equal Opportunity policy
   - POSH policy
   - Whistle Blower Policy

10. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% The Company is in compliance with the laws, as applicable
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

   Not applicable as no such modifications has been introduced in the current reporting year.

2. Details of the scope and coverage of any Human rights due diligence conducted

   At Arvind Fashions Limited, we believe that it is of utmost importance to undertake our business with honesty and integrity while ensuring a safe and conducive work environment for everyone, free of discrimination and harassment. We are committed to uphold and respect human rights across all our operations and businesses.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes, the offices of the company are accessible to differently abled employees and workers in line with Rights of Persons with Disabilities Act, 2016. The installed features include ramps and lift facilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100% At Arvind Fashions, we conduct audit on the Principles of Responsible Supply chain (RSC) guidelines which covers POSH, Labour and human rights, Minimum wages regulations where every supply chain needs to be meet. The audit is conducted every year.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not applicable

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format*:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
From renewable sources (GJ)		
Total electricity consumption (A)	4,320	5,040
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	4,320	5,040
From non-renewable sources (GJ)		
Total electricity consumption (D)	5,633.10	6,552
Total fuel consumption (E)	409.99	696.16
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	6,043.09	7,248.16
Total energy consumed (A+B+C+D+E+F)	10,363.09	12,288.16
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations, GJ/INR)	0.000000241	0.000000306
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

   * In addition to data of Corporate Office located in Bangalore, Karnataka, the total energy consumption data includes our regional offices at Delhi, Mumbai and Kolkata and our exclusive warehouses at Hoskote, Chintamani and Narasapura, all located in the state of Karnataka.

   Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

   No independent assessment/evaluation/assurance has been carried out by an external agency for energy data.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   Arvind Fashions does not fall under designated consumer category in Performance, Achieve and Trade (PAT) scheme of Bureau of Energy efficiency (BEE).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24* Current Financial Year	FY 2022-23 Previous Financial Year
Water withdrawal by source (in kilolitres) #		
4 (i) Surface water	-	-
(ii) Groundwater	82,52,797.36	
(iii) Third party water (Municipal water supplies)	595.308	-
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater storage)	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	82,53,392.66	-
Total volume of water consumption (in kiloliters)	82,53,392.66	-
Water intensity per rupee of turnover (Total water consumption / Revenue from operations, KL/INR)	0.000192	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*Arvind Fashions has initiated regular monitoring of water consumption in all its offices and branches from FY 2023-24.

In addition to data of Corporate Office located in Bangalore, Karnataka, the total energy consumption data includes our regional offices at Delhi, Mumbai and Kolkata and our exclusive warehouses at Hoskote, Chintamani and Narasapura, all located in the state of Karnataka.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/evaluation/assurance has been carried out by an external agency for water withdrawal and consumption data.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Water discharge by destination and level of treatment (in kilo liters) *		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment (Water sent for treatment to Central Effluent Treatment Plant) *	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – Tertiary treatment	-	-
Total water discharged (in kilo liters)	-	-

*The use of water in Arvind Fashions is primarily only for drinking and domestic purposes.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No independent assessment/evaluation/assurance has been carried out by an external agency for water discharge data.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Arvind Fashions is not a production/manufacturing facility and does not generate any industrial wastewater, but certain vendor facilities working for Arvind Fashions operate Zero Liquid Discharge system and are meeting the State Pollution Control Board norms.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
NOx	Tonnes	0.00028	0.00025
SOx	mg/Nm3	5.6	4.8
Particulate matter (PM2.5)	Tonnes	0.0038	0.0027
Particulate matter (PM10)	Tonnes	NA	NA
Persistent organic pollutants (POP)	Parts Per Million (PPM)	NA	NA
Volatile organic compounds (VOC)	Parts Per Million (PPM)	NA	NA
Hazardous air pollutants (HAP)	Parts Per Million (PPM)	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency for air emissions data.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24^ Current Financial Year	FY 2022-23 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO_2 equivalent	2.44	357
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO_2 equivalent	1,120.36	47.63
Total Scope 1 and Scope 2 emissions	Metric tons of CO_2 equivalent	1,149.48	404.63
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Kg Per INR	0.0000267	0.00000915
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

^ In addition to data of Corporate Office located in Bangalore, Karnataka, the total emissions data includes our regional offices at Delhi, Mumbai and Kolkata and our exclusive warehouses at Hoskote, Chintamani and Narasapura, all located in the state of Karnataka.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency for emissions data.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Arvind Fashions have a 'Combat Climate Change' as a sustainability pillar, where the company has shifted from conventional lights to LED lights in the stores and in the warehouses and the company has installed motion sensor LED lights for energy management within its warehouse operations in FY 23 that indicated a reduction potential of 5%-8% in the energy demand. The same is being evaluated and implemented for upcoming new warehouses as well. Arvind Fashions state of the art warehouse facility at Hoskote, Karnataka is currently undertaking the procedures of Green Building Certification that further represents Arvind's commitment to contribute towards reducing Green House Gas emission.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Waste generated (in metric tons)		
Plastic waste (A)	210.8	215.6
E-waste (B)	1.02	1.24
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Haz. Waste from process + Haz. Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc. (G)	0	0
Other Non-hazardous waste generated (H). MS Scrap + Aluminum scrap (Break-up by composition i.e., by materials relevant to the sector)	682	641
Total (A + B + C + D + E + F + G + H)	**893.82**	**857.84**
Waste intensity per rupee of turnover (Total waste generated in Metric tons / Revenue from operations in Cr (INR))	0.208	0.194
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	893.82	857.84
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**893.82**	**857.84**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**0**	**0**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

From the perspective of the nature of its business, Arvind Fashions do not generate any hazardous wastes and toxic chemicals. All the non-hazardous and other wastes generated in the facilities are recycled by an approved State Pollution Control Board recycler.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Arvind Fashions operating facilities is in the premises which have the requisite building permits and fire departments clearance for carrying out the operations			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No such project requiring EIA has been undertaken in the current or previous reporting year					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The company is in compliance with all the applicable environmental law/ regulations/ guidelines in India				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilo liters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations:

(iii) Water withdrawal, consumption, and discharge in the following format:

The use of water in Arvind Fashions is primarily for drinking and domestic purposes.

2. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Arvind Fashions does not have operations in ecologically sensitive areas.

3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Utilization of Solar Energy for Corporate office through PPA	Our corporate office is utilizing 14 lacs solar units every year through power purchase agreement	Reduced 1190 metric tonnes of GHG emissions through utilization of renewable energy
2.	Installation of IOTs in the warehouse	AFL has installed IOTs in the warehouse lighting, where the lights will be turned off in no use condition	30% of electricity saved through consumption using motion sensors lights

4. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant direct impacts to the environment from the value chain partners were observed for FY 2023-24.

5. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   Arvind Fashions procures goods from licensed and certified vendors and suppliers. The '**Responsible Sourcing Guidelines**' contain the minimum sustainability & compliance standards that the vendors and suppliers are expected to meet and good practices that may be adopted. Arvind Fashions conducts supplier assessments through two separate audits, a Quality Management System (QMS) audit and an audit by the Responsible Sourcing Team, which evaluates environmental and social aspects based on Arvind's Responsible Sourcing Guidelines.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations.

   4

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Retailers' Association of India (RAI)	National
2	Retailers' Association's Skill Council of India (RASCI)	National
3	India Retail Forum (IRF)	National
4	Confederation of Indian Industry (CII)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

   No incidents of anti-competitive behavior reported.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
No such project requiring SIA has been undertaken in the current or previous reporting year. Hence, not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

   We actively engage with the local community through various interactions and activities through Investor Relations Department, and through the institutions promoted and partnered by us. The receiving and redressing of any grievance by the local community is done in accordance with the Whistle Blower Policy

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	33%	37%
Directly from within India*	86%	85%

*Directly from within India inclusive of sourcing from MSMEs.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	0	0
Semi-urban	0	0
Urban	0.51%	0.23%
Metropolitan	32.73%	29.14%

*(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
The Company has not conducted any Social Impact Assessment in the current financial year. Hence, not applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount Spent (In ₹)
-	-	-

   For FY 2023-24, Arvind Fashions does not fall under the guidelines of Corporate Social Responsibility Provisions (Section 135 of Companies Act, 2013) and has not carried out CSR Projects in aspirational district.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No, Arvind Fashions currently do not have a preferential procurement policy, however purchase from MSME Vendors is carried out as part of the procurement process of Arvind Fashions.

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. Details of beneficiaries of CSR Projects:

S. No.	CSR Projects	No. of persons benefited from CSR Projects 2023	% of beneficiaries from vulnerable and marginalized groups
-	-	-	-

   For FY 2023-24, Arvind Fashions does not fall under the guidelines of Corporate Social Responsibility Provisions (Section 135 of Companies Act, 2013) and has not carried out CSR Projects in aspirational district.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company has a Customer Care team which is available through dedicated phone numbers, Email, Website to enable customers to log any complaints or feedbacks. Customer can also provide feedback through social media, which gets picked up by our concerned team for necessary action. These complaints are regularly tracked for resolution.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	10%
Safe and responsible usage	100%
Recycling and/or safe disposal	5%

3. Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Current Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential Services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, Arvind Fashions Limited has an information security policy and the purpose of this policy is to state the organizations directive towards data confidentially and to ensure adequate safeguards to prevent misuse or loss of information. Arvind Fashions has taken adequate precautions for the protection of data and has ensured that information related to its employees is secure. Appropriate controls are in place to prevent unauthorized disclosure or modification.

   The policy can be found at: https://brands.onearvind.com/brand/index

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No such incident related to the mentioned topics has been reported.

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches

      - No instance of data breach has been reported.

   b. Percentage of data breaches involving personally identifiable information of customers

      NIL

   c. Impact, if any, of the data breaches

      NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Comprehensive information about Arvind Fashions, including details about the company, its brands, and the latest news, can be found on their official website. For online shopping and to access a wide range of Arvind Fashions' brands with the latest offers, visit NNNOW. Additionally, Arvind Fashions' brand products are available on brand-specific digital platforms and social media.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Every product comes with a necessary tag and a wash care label which gives a necessary information about the product regarding the safe and usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Yes, as part of the Company's ERP system, contact details such as email addresses and phone numbers are maintained. This information can be used to intimate them about any risk of disruption or discontinuation of services.

4. Does the entity display product information on the product over & above what Is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, Customer feedback is considered as an important factor. Preferences of the customers are considered through their feedbacks at the store levels and through social handles.

Financial Statements

Independent Auditor's Report

To The Members of Arvind Fashions Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Arvind Fashions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the key Audit Matter Was Addressed in the Audit
1	**Revenue Re cognition:** **[Assertion- Cut off] and provision for sales return.** Revenue recognition involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point of time and provision for sales return. Cut-off is the key assertion in so far as revenue recognition is concerned. There is a risk that revenue is recognized on sale of goods around the year end without substantial transfer of control and is not in accordance with Ind AS-115 "Revenue from Contracts with Customers".	**Principal audit procedures performed:** The details of audit procedures performed by us are as follows: • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • We obtained an understanding of process and evaluated the design and operating effectiveness of key controls over timing of revenue recognition and calculating, reviewing and approving sales returns.

Sr. No.	Key Audit Matter	How the key Audit Matter Was Addressed in the Audit
	Also, Company has contracts with customers which entitles them to right of return. At year end, amount of expected returns that have not yet been settled with the customers are estimated and accrued. Estimating the amount of such accrual at year end is considered a key audit matter due to assumptions and judgments required to be made by management.	• Selected samples and performed the following procedures: - Read, analyzed and identified the distinct performance obligations in these contracts and compared these performance obligations with that identified and recorded by the Company. - For the selected samples, tested with the performance obligations specified in the underlying contracts. - Performed analytical procedures for reasonableness of revenues with comparative period. - Analyzed historical trends for returns and held discussions with management to understand changes in provisioning norms/additional provisions made based on management's assessment of market conditions and based on that, we have tested the estimates of returns related accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. • At the year end, we have performed early and late cut off to test that the revenue is recorded in the appropriate period. We have traced sales with proof of delivery (POD) to confirm the recognition of sales.
2	**Assessment of Impairment of Investment in Subsidiaries –** The carrying values of Company's investments in subsidiaries is assessed annually by management for potential indicators of impairment by reference to the requirements of Ind AS 36 'Impairment of Assets". The company has direct equity investments (including perpetual debt) of ₹ 1,821.60 crores and ₹ 46.32 crores in Arvind Lifestyle Brands Limited (ALBL) and Arvind Youth Brands Private Limited (AYBPL) respectively and indirect investment in AYBPL from ALBL is ₹ 68.16 crores.[Refer note 7(a)] The Company has carried out detailed evaluation of recoverable value of its equity investments in ALBL and AYBPL given considering various factors, as further explained in Note 7(a)(6) to the standalone financial statements. The Company used the discounted cash flow model to estimate recoverable value, which requires management to make significant estimates and assumptions related to forecasts of future cash flows principally related to revenue and profitability growth, terminal growth rate and discount rates used.	**Principal Audit Procedures Performed:** • We have obtained and discussed with management and evaluated the key judgements / assumptions underlying management's assessment of potential indicators of impairment. • Evaluated the design and implementation of the relevant internal controls and tested the operating effectiveness of such internal controls over impairment assessment process, which inter-alia included the management's control over reasonableness of key assumptions considered in related forecasts of future cash flows principally related to revenue and profitability growth, terminal growth rate and discount rates used. • We have obtained the investment valuations from the management and performed the following substantive procedures: • Assessed the reasonableness of the key business assumptions such as revenue growth and EBIDTA margins, by understanding the management's plan and performing retrospective testing.

Sr. No.	Key Audit Matter	How the key Audit Matter Was Addressed in the Audit
	Based on such assessment the management has concluded that the carrying value of the equity investments is good and recoverable. Any adverse changes in these assumptions could have a significant impact on either the recoverable value, or the amount of any impairment charge, or both. Accordingly, we identified the assessment of potential impairment of investments in above mentioned subsidiaries as a key audit matter because materiality of equity investments in subsidiaries and impairment assessment involves significant degree of management judgement in determining the key assumptions.	• Where potential indicators of impairment were identified, we evaluated management's impairment assessment and assumptions around key drivers of the cash flow forecasts, discount rates, expected growth rates and terminal growth rates used by comparison with available financial information including considerations of audited financial statements of the Subsidiary • With internal fair-value specialists, we evaluated the reasonableness of (1) the valuation methodology and (2) the discount rate considered, by • Testing the source information underlying the determination of the discount rate. • Developing a range of independent estimates and comparing those to the discount rate selected by management. • We also performed sensitivity analysis to determine impact of changes in key assumptions both individually and in aggregate.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures thereof, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 39(a)(iv)(I) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 39(a)(iv)(II) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 42 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 24106189BKFGVH1924)

Place: Ahmedabad
Date: May 21, 2024

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of Arvind Fashions Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 24106189BKFGVH1924)

Place: Ahmedabad
Date: May 21, 2024

Annexure B To The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

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

(b) The Company has a program of verification of property, plant and equipment and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Financial Statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including Right-of-Use assets) and intangible assets during the year.

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

(ii) (a) The inventories except for stock held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, including the revised submissions made by the Company to its all bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans and stood guarantee during the year and details of which are given below:

(₹ In crores)

Particulars	Loans	Guarantees
A. Aggregate amount granted during the year:		
- Subsidiaries	147.00	1015.32
- Others	0.15	-
B. Balance outstanding as at balance sheet date in respect of above cases:*		
- Subsidiaries**	227.85	782.07
- Others	0.12	-

*includes opening balances.
** includes amounts invested in Perpetual / non convertible debentures of Subsidiaries. These are classified under the note of Investments in financial statements, has been considered as loans without repayment terms for the purpose of reporting in clause (iii) of the Order.

The Company has not provided any advances in the nature of loans to any other entity during the year.

(b) The investments made, guarantees provided, and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) (i) The Company has granted loans to its subsidiaries, which are payable on demand. Accrued interest at every year end is converted to loan as per the agreement. In our opinion, the repayments of principal amounts (when demanded) are regular. In respect of loans granted by the Company to others, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(ii) In respect of loans granted in the nature of Perpetual Debt, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) During the year, the Company has granted loans which are repayable on demand, details of which are given below:

(₹ In Crores)

Particulars	All Parties (including related parties)	Related Parties
Aggregate amount loans:	147.15	147.00
- Repayable on demand	147.00	147.00
Percentage of loans/advances in nature of loans to the total loans given	99.90%	100%

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of TCS.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

(₹ In Crores)

Name of Statute	Nature of Dues	Amount	Amount unpaid	Period to which the Amount Relates	Forum where Dispute is pending
The Income Tax Act, 1961	Income Tax	42.37	38.90	2018-19 2020-21	Commissioner of Income Tax Appeals
Goods & Services Tax Act, 2017	Goods & Service Tax	3.87	3.70	2017-18 2018-19	Joint Commissioner of Haryana State Tax (Appeals)
Goods & Services Tax Act, 2017	Goods & Service Tax	0.14	0.13	2017-18	Joint Commissioner of Maharashtra State Tax (Appeals)

The above-mentioned figures represent the unpaid amount against disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entities or persons on account of or to meet the obligations of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

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

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2024.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting ₹2.30 crores in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 24106189BKFGVH1924)

Place: Ahmedabad
Date: May 21, 2024

Standalone Balance Sheet

As at March 31, 2024

₹ In Crores

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
(a) Property, Plant and Equipment	5	19.45	16.23
(b) Right-of-Use Asset	33	22.36	18.54
(c) Intangible assets	6	50.54	6.54
(d) Intangible assets under development	6(a)	2.48	0.30
(e) Financial assets			
(i) Investments	7(a)	1,984.79	2,129.12
(ii) Other Financial assets	7(f)	1.13	0.18
(f) Deferred tax assets (net)	24	17.96	19.35
(g) Non-Current tax assets (net)	8	14.95	9.38
(h) Other non-current assets	9	3.89	3.91
Total Non-current Assets		**2,117.55**	**2,203.55**
II. Current assets			
(a) Inventories	10	59.95	27.08
(b) Financial assets			
(i) Trade receivables	7 (b)	226.26	242.99
(ii) Cash and cash equivalents	7 (d)	3.23	0.05
(iii) Bank balance other than (ii) above	7 (e)	1.21	1.16
(iv) Loans	7 (c)	127.98	111.23
(v) Others Financial assets	7 (f)	0.07	0.05
(c) Other current assets	9	117.17	114.39
Total Current Assets		**535.87**	**496.95**
Total Assets		**2,653.42**	**2,700.50**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	53.19	53.13
(b) Other equity	12	2,250.65	2,268.96
Total equity		**2,303.84**	**2,322.09**
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	10.57	24.16
(ii) Lease Liabilities	33	18.89	15.85
(iii) Other financial liabilities	13 (c)	3.56	2.31
(b) Provisions	14	4.74	3.91
Total Non-current Liabilities		**37.76**	**46.23**
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	92.52	107.90
(ii) Lease Liabilities	33	5.40	3.74
(iii) Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	13 (b)	8.84	9.93
-Total outstanding dues of creditors other than micro enterprises and small enterprises	13 (b)	160.65	184.84
(iv) Other financial liabilities	13 (c)	29.89	12.55
(b) Other current liabilities		13.79	12.83
(c) Provisions	14	0.73	0.39
Total Current Liabilities		**311.82**	**332.18**
Total Equity and Liabilities		**2,653.42**	**2,700.50**
Material Accounting Policies	3		

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Crores except per share data)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I. Income			
Revenue from operations			
Sale of Products	16	607.69	740.09
Operating Income	16	1.40	0.48
Revenue from operations		**609.09**	**740.57**
Other income	17	62.38	18.02
Total Income (I)		**671.47**	**758.59**
II. Expenses			
Purchases of stock-in-trade	18	438.77	506.46
Changes in inventories of stock-in-trade	19	(32.87)	14.28
Employee benefits expense	20	64.80	56.67
Finance costs	21	19.50	15.52
Depreciation and amortisation expense	22	12.76	14.56
Other expenses	23	125.90	141.00
Total Expenses (II)		**628.86**	**748.49**
III. Profit/(Loss) before exceptional items and tax (I-II)		42.61	10.10
IV. Exceptional Item	23(b)	(51.46)	-
V. Profit/(Loss) after exceptional Item and before tax (III+IV)		**(8.85)**	**10.10**
VI. Tax Expense	24		
Current Tax		1.01	-
Deferred Tax Charge / (Credit)		1.48	0.24
Total Tax Expense		**2.49**	**0.24**
VII. Profit/(Loss) for the year (V-VI)		**(11.34)**	**9.86**
VIII. Other Comprehensive Income			
Items that will not to be reclassified to profit or loss:			
Re-measurement gains / (losses) on defined benefit plans	29	(0.26)	(0.68)
Income tax effect	24	0.09	0.24
Total Other Comprehensive Income/(Loss) for the year		**(0.17)**	**(0.44)**
IX. Total Comprehensive Income for the year, Net of Tax (VII+VIII)		**(11.51)**	**9.42**
X. Earnings Per Share			
Nominal Value per share - ₹ 4			
Basic - ₹		(0.85)	0.74
Diluted - ₹		(0.85)	0.74
Material Accounting Policies	3		

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date

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Place: Ahmedabad
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Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Standalone Statement of Changes in Equity

For the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

₹ In Crores

Balance	Amount
As at April 1, 2022	**52.97**
Add: Issue of partly paid up shares (Refer Note 11.6)	0.01
Add : Shares allotted pursuant to exercise of Employee Stock Option Plan (Refer Note 32)	0.15
As at March 31, 2023	**53.13**
Add: Issue of partly paid up shares (Refer Note 11.6)	-
Add : Shares allotted pursuant to exercise of Employee Stock Option Plan (Refer Note 32)	0.06
As at March 31, 2024	**53.19**

B. OTHER EQUITY

₹ In Crores

Particulars	Reserves and Surplus				Total equity
	Share Based Payment Reserve	Securities premium	Retained Earnings	Capital Reserve	
	Note 12	Note 12	Note 12	Note 12	
Balance as at April 1, 2022	**12.82**	**2,145.53**	**51.06**	**39.89**	**2,249.30**
Profit/ (Loss) for the year	-	-	9.86	-	9.86
Other comprehensive income/(loss) for the year	-	-	(0.44)	-	(0.44)
Total Comprehensive income/(loss) for the year	**-**	**-**	**9.42**	**-**	**9.42**
Share issued during the year	-	5.26	-	-	5.26
Share based payment expense	4.99	-	-	-	4.99
Transfer to securities premium	(1.66)	-	-	-	(1.66)
Transfer from share based payment reserve	-	1.66	-	-	1.66
Balance as at March 31, 2023	**16.15**	**2,152.45**	**60.48**	**39.89**	**2,268.96**
Balance as at April 1, 2023	16.15	2,152.45	60.48	39.89	2,268.96
Profit/ (Loss) for the year	-	-	(11.34)	-	(11.34)
Other comprehensive income/(loss) for the year	-	-	(0.17)	-	(0.17)
Total Comprehensive income/(loss) for the year	**-**	**-**	**(11.51)**	**-**	**2,257.45**
Share issued during the year	-	2.26	-	-	2.26
Share based payment expense	4.21	-	-	-	4.21
Transfer to securities premium	(0.91)	-	-	-	(0.91)
Transfer from share based payment reserve	-	0.91	-	-	0.91
Dividend paid during the year	-	-	(13.28)	-	(13.28)
Balance as at March 31, 2024	**19.45**	**2,155.62**	**35.69**	**39.89**	**2,250.65**

The accompanying notes are an integral part of these standalone financial statements
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
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DIN: 00008329
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Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Standalone Statement of Cash Flows

For the year ended March 31, 2024

₹ In Crores

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A	**Operating activities**		
	Profit/(Loss) before taxation	**(8.85)**	**10.10**
	Adjustments to reconcile profit/(loss) after tax to net cash flows:		
	Depreciation and Amortisation	12.76	14.56
	Interest Income	(7.86)	(6.27)
	Finance Cost	19.50	15.52
	Financial guarantee commission	(3.85)	(4.43)
	Allowance/ (Reversal) of doubtful debts	0.13	(6.18)
	Unrealised Foreign Exchange Difference	(0.28)	(0.22)
	Loss on Sale of Property, Plant & Equipment	-	(0.02)
	Provision for Non-moving Inventory and Returnable assets	6.49	9.45
	Unclaimed liability written off	(1.00)	(0.99)
	Share based payment expense	3.10	3.34
	Dividend Income	(49.28)	-
	Income from Sale of Mutual Funds	(0.38)	-
	Loss on Sale of Subsidiary	38.37	-
	Operating Profit before Working Capital Changes	**8.85**	**34.86**
	Adjustments for changes in working capital :		
	(Increase)/Decrease in Inventories	(39.36)	4.82
	(Increase)/Decrease in Trade receivables	16.72	34.49
	(Increase)/Decrease in Other assets	(2.80)	(59.56)
	(Increase)/Decrease in Other financial assets	(1.01)	7.01
	Increase/(Decrease) in Trade payables	(24.11)	23.88
	Increase/(Decrease) in Other liabilities	0.97	(6.99)
	Increase/(Decrease) in Other financial liabilities	18.03	1.70
	Increase/(Decrease) in Provisions	0.92	(0.86)
	Net Changes in Working Capital	**(30.64)**	**4.49**
	Cash Generated from Operations	**(21.79)**	**39.36**
	Direct Taxes paid (Net of Income Tax refund)	(6.58)	(1.43)
	Net Cash (used in)/ from Operating Activities (A)	**(28.37)**	**37.92**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant & Equipment and Intangible assets	(57.46)	(6.22)
	Proceeds from Sale of Property, Plant & Equipment	0.10	0.10
	Changes in Capital Advances	-	16.50
	Purchase of Mutual Funds	(70.00)	-
	Proceeds from Sale of Mutual Funds	70.38	-
	Issue of Perpetual debt	-	(15.00)
	Redemption of perpetual debt of Subsidiary	15.70	-
	Proceeds from Sale of Subsidiary	95.80	-
	Changes in other bank balances not considered as cash and cash equivalents	-	0.01
	Loans (given)/received back (net)	(13.58)	(60.89)
	Interest Received	4.03	0.01
	Dividend Received	49.28	-
	Net Cash (used in)/ from Investing Activities (B)	**94.25**	**(65.49)**
C	**Cash Flow from Financing Activities**		
	Proceeds from Issue of share capital	2.33	5.42
	Repayment of long term borrowings	(13.22)	(12.74)
	Proceeds from short term borrowings (net)	(15.76)	53.14
	Finance cost paid	(17.12)	(14.81)
	Payment for Unpaid Fractional Shares	-	(0.01)
	Repayment of lease liabilities	(5.65)	(4.43)
	Dividend paid	(13.28)	-
	Net Cash (used in)/ from Financing Activities (C)	**(62.70)**	**26.57**
	Net Increase/(Decrease) in cash & cash equivalents(A+B+C)	**3.18**	**(1.00)**
	Cash & Cash equivalents at the beginning of the year	0.05	1.05
	Cash & Cash equivalents at the end of the year	3.23	0.05

Figures in brackets indicate outflows.

Standalone Statement of Cash Flows

For the year ended March 31, 2024

RECONCILIATION OF CASH & CASH EQUIVALENTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents comprise of: (Refer Note 7(d))		
Cash on Hand	-	-
Balances with Banks	3.23	0.05
Cash and cash equivalents	**3.23**	**0.05**

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2023	Net cash flows	Non Cash Changes		As at March 31, 2024
				Impact of Ind AS 116	Other Changes*	
Borrowings:						
Long term borrowings	13(a)	37.31	(13.22)	-	-	24.09
Short term borrowings	13(a)	94.75	(15.76)	-	-	79.00
Interest accrued but not due on borrowings	13(c)	0.56	(0.56)	-	1.07	1.07
Lease liabilities	33	19.59	(5.65)	10.35	-	24.29
Total		**152.21**	**(35.18)**	**10.35**	**1.07**	**128.45**

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2022	Net cash flows	Non Cash Changes		As at March 31, 2023
				Impact of Ind AS 116	Other Changes*	
Borrowings:						
Long term borrowings	13(a)	50.05	(12.74)	-	-	37.31
Short term borrowings	13(a)	41.62	53.14	-	-	94.75
Interest accrued but not due on borrowings	13(c)	2.34	(2.34)	-	0.56	0.56
Lease liabilities	33	-	(4.43)	24.02	-	19.59
Total		**94.01**	**33.63**	**24.02**	**0.56**	**152.21**

* The same relates to amount charged in statement of profit and loss accounts.

Note: 1) The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows".

As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
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DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

1. CORPORATE INFORMATION

Arvind Fashions Limited ("the Company") is a public limited company incorporated in India under the provisions of the Companies Act, 2013 and has its registered office at Arvind Limited Premises, Naroda Road, Ahmedabad – 380025 having CIN L52399GJ2016PLC085595. The Company has its primary listings on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited ("the Stock Exchanges"). The Company is in the business of marketing and distribution of branded apparels and accessories.

The Company's Standalone Financial Statements have been approved by Board of Directors in the meeting held on May 21, 2024.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

2.1 Basis of Preparation and Presentation and Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention, except certain assets and liabilities, which have been measured at fair value as required by the relevant Ind AS.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements comprising of Standalone Balance Sheet, Standalone Statement of Profit and Loss including other comprehensive income, Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows as at March 31, 2024 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to Standalone Financial Statement.

2.2 Historical Cost Convention

The Standalone Financial Statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Derivative financial instruments measured at fair value;
- Share based payments;
- Defined benefit plans – plan assets measured at fair value;

2.3 Rounding off

The Standalone Financials Statement have been prepared in Indian Rupees (INR) and all the values are rounded to nearest crores as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹50,000 which are required to be shown separately, have been shown in actual brackets.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing its Standalone Financial Statements consistently to all the periods presented:

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

3.1 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All other assets and liabilities are classified as noncurrent. For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

3.2 Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3 Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

3.4 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful life and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful life of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for following assets category as shown in Table below.

Asset	Estimated Useful Life
Buildings	30 Years
Plant & Machinery	6 to 15 Years
Office Equipment	6 to 8 Years
Furniture & Fixture	6 to 9 Years
Motor Cars	4 Years
Computers, Servers and Network	3 Years

However, Leasehold Improvements have been depreciated considering the lease term or useful life whichever is lower.

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful life for these assets are different from the useful life as prescribed under Part C of Schedule II to the Companies Act 2013. Any change in useful file are being applied prospectively in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5 Leases

The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes 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 low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. 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.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

3.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful life of intangible assets are assessed as finite.

Intangible assets with finite life are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite life is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Value of License Brands/License fees acquired under demerger scheme has been amortized on Straight Line basis over the period of 10 years.

Technical Process Development has been amortized on Straight Line basis over the period of 6 years and Product Development has been amortized on Straight Line basis over the period of 3 to 5 years.

Software and Website are amortized over management estimate of its useful life of 5 years.

Acquired Trademark are amortized over management estimate of its useful life of 2 years.

3.7 Inventories

Stock-in-trade are valued at the lower of cost and net realisable value.

- Stock in Trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable 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.

3.8 Impairment

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Assets that are subject to depreciation and amortisation and assets representing investments in subsidiary are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Notes to the Standalone Financial Statements

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Impairment losses, if any, are recognised in the Statement of Profit and Loss and included in depreciation and amortisation expense. Impairment losses, on assets other than goodwill are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

3.9 Revenue Recognition

The Company derives revenues primarily from sale of traded goods and related services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and discounts. The rights of return and discounts give rise to variable consideration.

i. Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refundable liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

ii. Discounts

Discounts are offset against amounts payable by the customer. To estimate the variable consideration for the expected future discounts, the Company applies the expected value method. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

b) Assets and liabilities arising from returns

i. Returnable asset

Returnable asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decrease in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decrease in the value of the returned products.

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ii. Refundable liabilities

A refundable liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refundable liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

c) Sale of goods – customer loyalty programme (deferred revenue)

The Company operates a loyalty point programme which allows customers to accumulate points when they purchase the products. The points can be redeemed for free products, subject to a minimum number of points being obtained. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

d) Gift Vouchers

The amount collected on sale of a gift voucher is recognized as a liability and transferred to revenue (sales) when redeemed or to revenue (sale of services) on expiry.

e) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

f) Profit or loss on sale of Investments

Profit or Loss on sale of investments is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

g) Dividend

Dividend income from investments in subsidiary or Joint venture is recognised when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.

3.10 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost:

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

a) Financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 109 and IND AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 109 and IND AS 115, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 109 and IND AS 115 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- Right Of Use Assets resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and ROU Assets: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective

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of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

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

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

- Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

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(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.11 Investment in subsidiary Companies

The Company has elected to recognise its investments in subsidiary companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Cost includes cash consideration paid on initial recognition and adjusted for embedded derivative, if any.

Subsidiaries are all the entities over which Company has direct or indirect control. Control is achieved when:

- Has power over its investee,
- Is exposed to, or has rights to, variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns

The details of such investments are given in Note 7(a).

Impairment policy applicable on such investments is explained in Note 3.8 above.

3.12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.13 Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down

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the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.14 Employee Benefit

a) Short Term Employee Benefit

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme and post-retirement medical benefit schemes are Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

c) Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

d) Termination Benefits:

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.15 Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will

Notes to the Standalone Financial Statements

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ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.16 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.17 Dividend

The Company recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

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3.18 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Contingent assets are not recognised but disclosed in the Standalone Financial Statements when an inflow of economic benefits is probable.

3.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.20 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

3.21 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATE AND ASSUMPTIONS

The preparation of the Standalone financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgements, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions 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 the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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4.1 Revenue recognition

The Company assesses its revenue arrangement in order to determine if its business partner is acting as a principle or as an agent by analysing whether the Company has primary obligation for pricing latitude and exposure to credit / inventory risk associated with the sale of goods. The Company has concluded that certain arrangements are on principal to agent basis where its business partner is acting as an agent. Hence, sale of goods to its business partner is recognised once they are sold to the end customer.

4.2 Customer loyalty program reward points

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

4.3 Provision for discount and sales return

a) The Company provides for sales return based on season wise, brand wise and channel wise trend of previous years. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario. Provision is created based on the management's assessment of market conditions.

b) At each balance sheet date, management estimates the adequacy of provision for discounts to be given to its customers on the sales made by the Company on the basis of historical trend, past experience and discount policies.

4.4 Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 29.

4.5 Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

4.6 Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be measured at the time of grant. The expenses recognised for share-based payment transactions are disclosed in Note 32.

4.7 Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax credits carried forward and unused losses carried forward.

Further details on taxes are disclosed in Note 24.

4.8 Inventories

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

4.9 Useful life of Property, Plant and Equipment and Intangible assets

The Company reviews the estimated useful life of property, plant and equipment and intangible assets at the end of each reporting period. During financial year ended March 31, 2024, there were no changes in useful life of property plant and equipment and intangible assets other than (a) useful life of leasehold improvements which have been considered lower of the lease term or useful life and (b) those resulting from store closures / shifting of premises.

4.10 Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company.

Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 25).

4.11 Control over subsidiaries

The Company evaluates its control over the entities where it holds significant voting rights and considers them as Subsidiaries where it exercises control (Refer note 7a).

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 5 : PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Buildings	Plant & machinery	Furniture & fixture	Vehicles	Leasehold improve-ments	Office equipment	Computers, Servers and Network	Total
Gross Carrying Value								
As at March 31, 2022	**6.94**	**5.06**	**13.10**	**1.60**	**3.44**	**0.50**	**7.21**	**37.85**
Additions	-	0.08	3.46	1.06	1.06	0.25	0.01	5.92
Deductions	-	0.03	-	0.52	-	-	0.01	0.56
As at March 31, 2023	**6.94**	**5.11**	**16.56**	**2.14**	**4.50**	**0.75**	**7.21**	**43.21**
Additions	-	0.02	4.73	-	1.55	0.04	1.47	7.81
Deductions	-	-	-	0.18	-	-	0.01	0.19
As at March 31, 2024	**6.94**	**5.13**	**21.29**	**1.96**	**6.05**	**0.79**	**8.67**	**50.83**
Accumulated Depreciation								
As at March 31, 2022	**0.68**	**4.88**	**7.24**	**0.62**	**2.11**	**0.41**	**4.86**	**20.80**
Depreciation for the year	0.22	0.13	3.14	0.39	0.73	0.22	1.83	6.66
Deductions	-	0.02	-	0.45	-	-	0.01	0.48
As at March 31, 2023	**0.90**	**4.99**	**10.38**	**0.56**	**2.84**	**0.63**	**6.68**	**26.98**
Depreciation for the year	0.22	0.09	2.79	0.47	0.55	0.03	0.35	4.50
Deductions	-	-	-	0.09	-	-	0.01	0.10
As at March 31, 2024	**1.12**	**5.08**	**13.17**	**0.94**	**3.39**	**0.66**	**7.02**	**31.38**
Net Carrying Value								
As at March 31, 2024	**5.82**	**0.05**	**8.12**	**1.02**	**2.66**	**0.13**	**1.65**	**19.45**
As at March 31, 2023	**6.04**	**0.12**	**6.18**	**1.58**	**1.66**	**0.12**	**0.53**	**16.23**

Notes:

1) For Properties pledge as security Refer Note 13 (a).
2) Refer Note 26 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 6 : INTANGIBLE ASSETS

₹ In Crores

Particulars	Computer Software	Trade Mark	Product Development	Website	Total Intangible Assets
Gross Carrying Value					
As at March 31, 2022	**11.29**	**-**	**8.09**	**2.46**	**21.84**
Additions	-	-	-	-	-
Deductions	-	-	-	-	-
As at March 31, 2023	**11.29**	**-**	**8.09**	**2.46**	**21.84**
Additions	0.21	47.40	-	-	47.61
Deductions	-	-	-	-	-
As at March 31, 2024	**11.50**	**47.40**	**8.09**	**2.46**	**69.45**
Amortisation					
As at March 31, 2022	**5.30**	**-**	**3.41**	**2.46**	**11.17**
Amortisation for the Year	2.93	-	1.20	-	4.13
Deductions	-	-	-	-	-
As at March 31, 2023	**8.23**	**-**	**4.61**	**2.46**	**15.30**
Amortisation for the Year	2.41	-	1.20	-	3.61
Deductions	-	-	-	-	-
As at March 31, 2024	**10.64**	**-**	**5.81**	**2.46**	**18.91**
Net Carrying Value					
As at March 31, 2024	**0.86**	**47.40**	**2.28**	**-**	**50.54**
As at March 31, 2023	**3.06**	**-**	**3.48**	**-**	**6.54**

Notes:

1) During the current year, pursuant to a Deed of assignment of Trademark entered between wholly owned subsidiary of the Company i.e. Arvind Lifestyle Brands Limited (ALBL) and Arvind Fashions Limited (AFL). AFL has acquired all the rights, title and interest for the trademarks of Ruf & Tuf and Newport from the ALBL, for a total consideration of ₹ 47.40 crores detemined by the independent valuer, being the Fair value of the said trademarks on the date of the transfer.

Note 6(a) : Intangible assets under development

₹ In Crores

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total Amount
As on 31st March, 2024					
Project in Progress	2.18	0.30	-	-	2.48
As on 31st March, 2023					
Project in Progress	0.30	-	-	-	0.30

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 7 : FINANCIAL ASSETS

7 (a) Investments

₹ In Crores

Particulars	Face Value per share in ₹	As at March 31, 2024	As at March 31, 2023
Non-current investment			
Investment in equity shares (fully paid up)			
Subsidiaries - measured at cost (Unquoted)			
Arvind Lifestyle Brands Limited (Refer Note 1, 2, 3 and 6 below) (31st March, 2024: 15,75,00,000, 31st March 2023: 15,75,00,000)	10	1,721.60	1,717.99
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited) (Refer Note 1 and 2 below and Note 23(b) (31st March, 2024 : Nil, 31st March 2023 : 89,39,488)	10	-	134.01
PVH Arvind Fashion Private Limited (Refer Note 2 and 7 below) (31st March, 2024: 25,01,589; 31st March 2023: 25,01,589)	10	116.88	116.32
Arvind Youth Brands Private Limited (Refer Note 1, 2, 3 and 6 below) (31st March, 2024:4,46,32,600 , 31st March 2023:4,46,32,600)	10	46.31	45.80
Total equity Investments		**1,884.79**	**2,014.12**
Investment in Perpetual Non Convertible Debentures			
10,00,00,000 (Previous year: 10,00,00,000) 8% Unsecured Perpetual Non-Convertible Debentures of ₹10 Each of Arvind Lifestyle Brands Limited		100.00	100.00
Nil (Previous year: 1,50,00,000) 8% Unsecured Perpetual Non-Convertible Debentures of ₹10 Each of Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)		-	15.00
Total Investments		**100.00**	**115.00**
Total Investments		**1,984.79**	**2,129.12**
Aggregate amount of quoted investments		-	-
Aggregate amount of unquoted investments		**1,984.79**	**2,129.12**
Aggregate impairment in value of investment		-	-

Note 1: Increase in the cost of investment during the year includes recognition of cost of ESOPs issued to Employees of Subsidiaries. The same is detailed below:

Subsidiaries	2023-24	2022-23
Arvind Lifestyle Brands Limited	0.96	1.26
Arvind Youth Brands Private Limited	0.09	0.21
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	0.06	0.16

Note 2: Increase in the Cost of investment during the year includes recognition of Notional Commission on Fair Valuation of Financial Guarantee provided for loan taken by subsidiary. The same is detailed below:

Subsidiaries	2023-24	2022-23
Arvind Lifestyle Brands Limited	2.66	3.04
Arvind Youth Brands Private Limited	0.42	0.51
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	0.10	0.12
PVH Arvind Fashion Private Limited	0.56	0.56

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Note 3: The Company has pledged 4,63,51,265 equity shares of Arvind Lifestyle Brands Limited as a security against working capital loans availed by the Company and Arvind Lifestyle Brands Limited. The Company has pledged 2,56,97,557 equity shares of Arvind Youth Brands Retail Private Limited as a security against working capital loans availed by the Company (Refer Note 13(a)).

Note 4: The Company has complied with the requirement with respect to number of layers prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Note 5: Investment in Perpetual Non Convertible Debentures / Perpetual Debt is redeemable / Payable at issuer's option and can be deferred indefinitely.

Note 6 : The carrying amounts of long-term investments in equity shares and perpetual debt of subsidiary companies viz. Arvind Lifestyle Brands Limited ("ALBL") and Arvind Youth Brands Private Limited ("AYBPL") aggregates to ₹ 1767.92 crore, indirect investment from ALBL in AYBPL by ₹ 68.16 crores as at March 31, 2024. The said individual subsidiary companies have erosion in net worth as compared to investment made by the company as at March 31, 2024. The Company has determined the recoverable amounts of its investments in these subsidiaries as at March 31, 2024 by considering a discounted cash flow model. Such determination is based on significant assumptions & judgements to be made by the management by considering the forecasts of future cash flows principally related to revenue and profitability growth, terminal growth rate and discount rates used. On a careful evaluation of the aforesaid factors, the Company's management has concluded that no provision for impairment in respect of such investments are considered necessary at this stage.

Note 7 : Company has considered PVH Arvind Fashion Private Limited as a subsidiary even though the company has 50% ownership interest in the entity. Based upon contractual agreement between the Company and other investor, the Company has power to appoint the Chairman of the board of directors and has the power to direct the relevant activities. Therefore, the directors of the company concluded that they have the practical ability to direct the power to affect the relevant activities and thus, criteria for effective control are fulfilled.

7 (b) Trade receivables - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	425.97	436.40
Credit impaired	13.59	13.46
Less : Allowance for doubtful debts	(13.59)	(13.46)
	425.97	**436.40**
Less : Refund liability - Refer Note 3 below	(199.71)	(193.41)
Total Trade receivables	**226.26**	**242.99**

Notes:

1) No trade receivables are due from directors or other officers of the Company either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.
2) Trade receivables are given as security for borrowings as disclosed under Note 13(a).
3) Refund liability are recognised pursuant to Ind AS 115 - Revenue from Contracts with Customers.
4) For amount due from Related Parties, Refer Note 30.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Allowance for doubtful debts

Company has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	13.46	19.64
Add : Allowance for the year	0.13	-
Less : Provision for doubtful debts-Written Back	-	(6.18)
Balance at the end of the year	**13.59**	**13.46**

Trade Receivables Ageing Schedule:

As at March 31, 2024

₹ In Crores

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	332.20	90.73	1.56	1.29	0.20	0.00	425.98
Undisputed Trade receivables - credit impaired	-	-	4.51	2.20	0.12	2.90	9.73
Disputed Trade receivables - credit impaired	-			0.81	0.02	3.02	3.85
Total	**332.20**	**90.73**	**6.07**	**4.30**	**0.34**	**5.92**	**439.56**
Less: Allowance for doubtful debts							13.59
Less: Refundable Liability							199.71
Net Trade Receivables							**226.26**

As at March 31, 2023

₹ In Crores

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	366.16	67.50	1.60	0.81	0.32	-	436.39
Undisputed Trade receivables - credit impaired	-	-	3.76	0.56	1.49	1.39	7.20
Disputed Trade receivables - credit impaired	-	-	0.11	0.01	3.62	2.53	6.27
Total	**366.16**	**67.50**	**5.47**	**1.38**	**5.43**	**3.92**	**449.86**
Less: Allowance for doubtful debts							13.46
Less: Refundable Liability							193.41
Net Trade Receivables							**242.99**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

7 (c) Loans

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Current		
Loans to related parties (Refer Note 30)	127.85	110.43
Loans to employees	0.13	0.80
	127.98	**111.23**
Total Loans	**127.98**	**111.23**

Notes: 1) No loans are due from directors or promoters of the Company either severally or jointly with any person.

Loans to related parties that are repayable on demand

Type of Borrower	Year ended March 31, 2024		Year ended March 31, 2023	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Parties	127.85	99.90%	110.43	99.28%

7 (d) Cash and cash equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	-
Balance with Bank		
Current accounts and debit balance in cash credit accounts	3.23	0.05
Total cash and cash equivalents	**3.23**	**0.05**

7 (e) Other bank balance

Particulars	As at March 31, 2024	As at March 31, 2023
In Deposit Account		
Unpaid Fractional Shares and Rights Issue (Refer note 13(c))	1.04	1.04
Unpaid Dividend account (Refer note 13(c))	0.04	-
Held as Margin Money*	0.13	0.12
Total other bank balances	**1.21**	**1.16**

* Under lien with bank as Security for Guarantee Facility

7 (f) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise specified)		
Non-current		
Security deposits	1.13	0.18
	1.13	**0.18**
Current		
Other Receivables	0.06	-
Others	0.01	0.05
	0.07	**0.05**
Total financial assets	**1.20**	**0.23**

Notes: Other current financial assets are given as security for borrowings as disclosed under Note 13(a).

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

7 (g) Financial assets by category

Particulars	Cost	FVTPL	FVOCI	Amortised Cost
March 31, 2024				
Investments				
- Equity shares	1,884.79	-	-	-
- Perpetual Debentures	-	-	-	100.00
Trade receivables	-	-	-	226.26
Loans	-	-	-	127.98
Cash & Bank Balances	-	-	-	4.44
Other Financial Assets	-	-	-	1.20
Total Financial assets	**1,884.79**	**-**	**-**	**459.88**
March 31, 2023				
Investments				
- Equity shares	2,014.12	-	-	-
- Perpetual Debentures	-	-	-	115.00
Trade receivables	-	-	-	242.99
Loans	-	-	-	111.23
Cash & Bank Balances	-	-	-	1.21
Other Financial Assets	-	-	-	0.23
Total Financial Assets	**2014.12**	**-**	**-**	**470.66**

Notes :

1. Financial instruments risk management objectives and policies, refer Note 37
2. Fair value disclosure for financial assets and liabilities, refer note 35 and fair value hierarchy disclosures refer note 36.

NOTE 8 : NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current Tax Assets (Net)		
Tax Paid in Advance (Net of Provision)	14.95	9.38
Total	**14.95**	**9.38**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 9: OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Non-current		
Sales tax paid under protest (Deposit)	4.24	4.24
Less : Provision	**0.35**	**0.35**
Sales tax paid under protest (Net of Provision)	3.89	3.89
Capital advances	0.00	0.02
	3.89	**3.91**
Current		
Advance to suppliers	1.07	15.71
Advance to employee	0.11	0.08
Balance with Government Authorities (Refer Note 1 below)	16.77	6.30
GST paid under protest	0.18	-
Export incentive receivable	0.46	0.68
Returnable Asset (Refer Note 3 below)	78.86	72.32
Prepaid expenses	1.25	0.86
Other Current Asset (Refer Note 5 below)	18.47	18.44
	117.17	**114.39**
Total	**121.06**	**118.30**

Notes :

1. Balance with Government Authorities mainly consist of input credit availed.
2. Other current assets are given as security for borrowings as disclosed under Note 13(a).
3. Returnable Asset are recognised pursuant to Ind AS 115 - Revenue from Contracts with Customers and are accounted, considering the nature of inventory, ageing and net realisable value. Accordingly ₹ 9.58 Crores (March 31, 2023 ₹ 15.88 Crores) has been provided. The changes in write downs are recognised as an expense in the Statement of Profit and Loss.
4. No advances are due from directors or promoters of the Company either severally or jointly with any person.
5. Other current assets represents Goods and Service Tax paid on refund liability component.

NOTE 10 : INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at March 31, 2024	As at March 31, 2023
Stock-in-trade (Garments and Accessories)	59.95	27.08
Total	**59.95**	**27.08**

Notes :

1) Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 19.67 Crores (Previous year ₹ 6.89 Crores). The changes in write downs are recognised as an expense in the Statement of Profit and Loss
2) Inventories are given as security for borrowings as disclosed under Note 13(a)

NOTE 11 : EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ In Crores	No. of shares	₹ In Crores
Authorised share capital				
Equity shares of ₹ 4 each (March 31, 2023: ₹ 4 each)	18,75,00,000	75.00	18,75,00,000	75.00
Issued and subscribed share capital				
Equity shares of ₹ 4 each (March 31, 2023: ₹ 4 each)	13,29,84,460	53.19	13,28,25,660	53.13
Subscribed and fully paid up				
Equity shares of ₹ 4 each (March 31, 2023: ₹ 4 each)	13,29,59,771	53.18	13,28,00,971	53.12
Subscribed and partly paid up				
Equity shares of ₹ 2 each (March 31, 2023: ₹ 2 each)	24,689	(₹49,378/-)	24,689	(₹49,378/-)
Total	**13,29,84,460**	**53.19**	**13,28,25,660**	**53.13**

Notes to the Standalone Financial Statements
For the year ended March 31, 2024

11.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ In Crores	No. of shares	₹ In Crores
At the beginning of the period	13,28,25,660	53.13	13,24,61,813	52.97
Add: Issue of fully paid up shares (Refer Note 11.5)	-	-	-	-
Add: Issue of partly paid up shares (Refer Note 11.6)	-	-	-	0.01
Add: Shares allotted pursuant to exercise of Employee Stock Option Plan (Refer Note 32)	1,58,800	0.06	3,63,847	0.15
Outstanding at the end of the period	**13,29,84,460**	**53.19**	**13,28,25,660**	**53.13**

11.2. Rights, Preferences and Restrictions attached to the equity shares :

The Company has one class of shares referred to as equity shares having a par value of ₹ 4 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets after distribution of all preferential amounts, in proportion to their shareholding.

11.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of share holding	No. of shares	% of share holding
Aura Securities Private Limited	4,36,18,605	32.80%	4,36,18,605	32.84%
ICICI Prudential Mutual fund - Through its various mutual fund schemes	74,40,594	5.60%	1,00,23,233	7.55%
Plenty Private Equity Fund I Limited	75,10,649	5.65%	75,10,649	5.65%
Akash Bhanshali	57,26,644	4.31%	73,17,553	5.51%

11.4. Shareholding of Promoters

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	No. of shares
Aura Securities Private Limited	4,36,18,605	32.80%	0.00%	4,36,18,605	32.84%	0%
Aura Merchandise Private Limited	18,30,701	1.38%	0.00%	18,30,701	1.38%	0%
Atul Limited	15,96,105	1.20%	0.00%	15,96,105	1.20%	0%
Aura Business Ventures LLP	10,36,706	0.78%	0.00%	10,36,706	0.78%	0%
Aagam Holdings Private Limited	7,25,553	0.55%	0.00%	7,25,553	0.55%	0%
Anusandhan Investments Limited	44,470	0.03%	0.00%	44,470	0.03%	0%
Aayojan Resources Private Limited	35,190	0.03%	0.00%	35,190	0.03%	0%
Adhinami Investment Private Limited	7,153	0.01%	0.00%	7,153	0.01%	0%
Swati S Lalbhai	3,754	0.00%	0.00%	3,754	0.00%	0%
Hansa Niranjanbhai	-	0.00%	-100.00%	2,279	0.00%	0%
Sunil Siddharth Lalbhai	2,101	0.00%	0.00%	2,101	0.00%	0%
Badlani Manini Rajiv	-	0.00%	0.00%	-	0.00%	-100%
Vimla S Lalbhai	194	0.00%	-87.82%	1,593	0.00%	0%
Taral S Lalbhai	1,573	0.00%	0.00%	1,573	0.00%	0%
Punit Sanjaybhai	1,544	0.00%	0.00%	1,544	0.00%	0%
Sanjaybhai Shrenikbhai Lalbhai	76	0.00%	-88.14%	641	0.00%	0%
Astha Lalbhai	385	0.00%	0.00%	385	0.00%	0%
Vandana Gupta	-	0.00%	0.00%	-	0.00%	-100%

Notes to the Standalone Financial Statements
For the year ended March 31, 2024

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	No. of shares
Jayshreeben Sanjaybhai Lalbhai	152	0.00%	0.00%	152	0.00%	0%
Utkarsh Bhikoobhai Shah	-	0.00%	0.00%	-	0.00%	-100%
Akshita Holdings Private Limited	51	0.00%	0.00%	51	0.00%	0%
Amit Gupta	-	0.00%	0.00%	-	0.00%	-100%
Aura Business Enterprise Private Limited	38	0.00%	0.00%	38	0.00%	0%
Aura Securities Private Limited	38	0.00%	0.00%	38	0.00%	0%
Kalpanaben Shripalbhai Morakhia	3	0.00%	0.00%	3	0.00%	0%
Sanjaybhai Shrenikbhai Lalbhai (as representative trustee of discretionary trust)	565	0.00%	0.00%	-	0.00%	0%
Swati Siddharth Lalbhai (trustee of Siddharth Family Trust)	1,399	0.00%	0.00%	-	0.00%	0%
Sunil Siddharth HUF	3	0.00%	0.00%	3	0.00%	0%
Total	**4,89,06,359**	**36.78%**		**4,89,08,638**	**36.82%**	

11.5. Issue of Equity Shares on preferential basis

On 21st August 2021, the Board of Directors approved issuance of equity shares on a preferential basis to various investors. The Company received the approval of shareholders in the extra ordinary general meeting held on 16th September 2021. The Board of Directors approved allotment of 1,83,06,624 fully paid equity shares to various investors at ₹ 218.50 per equity share (of which ₹ 4/- is towards face value and ₹ 214.50 towards premium) on receipt of consideration. There has been no deviation in the use of proceeds of the Preferential Issue, from the Objects stated in the Offer Letter.

11.6. Issue of Shares under Right Issue

On June 21, 2020, the Board of Directors of the Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of ₹ 4 each (the "Rights Issue Shares") at a price of ₹ 100 per Rights Equity Shares (including premium of ₹ 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Company had approved the allotment of 3,99,79,347 equity shares of face value ₹ 4/- each to the eligible equity shareholders as fully paid up.

On February 03, 2021, the Board of Directors of the Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of ₹ 4 each (the "Rights Issue Shares") at a price of ₹ 135 per Rights Equity Shares (including premium of ₹ 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company had approved the allotment of 1,48,01,776 equity shares of face value ₹ 4/- each to the eligible equity shareholders as partly paid up for an amount of ₹ 70/- per Rights Issue Share received on application (of which ₹ 2/- was towards face value and ₹ 68/- towards premium). The allotment of 1,080 Rights Equity Shares had been kept in abeyance pending regulatory/other clearance. The third reminder to pay first and final call of ₹ 65/- was made in the month of August 2022 and the company had received ₹ 17,01,440/- against 26,176 equity shares (of which ₹ 2/- was towards face value and ₹ 63/- towards premium). As on date the First and Final call payment for 24,689 shares amounting to ₹0.16 Crores is yet to be received.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

11.7. Shares allotted as fully paid up without payment being received in cash during the period of five years

immediately preceding the reporting date :

1) The Company has allotted 5,17,23,414 Equity Shares pursuant to the scheme of arrangement during the year 2018-19.

11.8. Shares reserved for issue under options and contracts :

Refer Note 32 for details of shares to be issued under Employee Stock Option Schemes (ESOPs)

11.9. Objective, policy and procedure of capital management:

Refer Note 38.

NOTE 12 : OTHER EQUITY

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves & Surplus		
Capital reserve		
Balance as per last financial statements	39.89	39.89
Balance at the end of the year	**39.89**	**39.89**
Securities premium account		
Balance as per last financial statements	2,152.45	2,145.53
Add: Addition during the year	2.26	5.26
Add: Transfer from share based payment reserve	0.91	1.66
Balance at the end of the year	**2,155.62**	**2,152.45**
Share based payment reserve (Refer Note 32)		
Balance as per last financial statements	16.15	12.82
Add: Addition during the year	4.21	4.99
Less: Transfer to Securities Premium Account	(0.91)	(1.66)
Balance at the end of the year	**19.45**	**16.15**
Surplus in statement of profit and loss		
Balance as per last financial statements	60.48	51.06
Add: Profit/ (Loss) for the year	(11.34)	9.86
Less: OCI for the year	(0.17)	(0.44)
Less: Appropriation from reserves on account of dividend payout	(13.28)	-
Balance at the end of the year	**35.69**	**60.48**
Total reserves & surplus	**2,250.65**	**2,268.96**
Total Other equity	**2,250.65**	**2,268.96**

The description of the nature and purpose of each reserve within equity is as follows :

a. Capital reserve

Capital reserve represents capital reserve on amalgamation/business combination. This reserve arose pursuant to scheme of arrangement and shall not be considered to be reserve created by the Company. Utilisation during the previous year represents the stamp duty paid which is accounted as per the Composite scheme of arrangement for demerger of branded apparel undertaking.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

b. Securities premium

Securities premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies, Act.

c. Share based payment reserve

This reserve relates to share options granted by the Company to its employees (including subsidiary Companies) and erstwhile Holding Company's employee share option plan. Further information about share-based payments to employees is set out in Note 32.

NOTE 13 : FINANCIAL LIABILITIES

13 (a) Borrowings

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term Borrowings (Refer Note 1(a) below)		
Secured (at amortised cost)		
Term loan from Banks	10.57	24.16
Total long-term borrowings	**10.57**	**24.16**
Short-term Borrowings (Refer Note 1(b) below)		
Secured (at amortised cost)		
Current maturities of Long term borrowings	13.52	13.15
Working Capital Loans repayable on demand from Banks	79.00	94.75
Total short-term borrowings	**92.52**	**107.90**
Total borrowings	**103.09**	**132.06**

1. Secured Borrowings

(a) Long term

Particulars	Rate of interest as at March 31, 2024	As at March 31, 2024	As at March 31, 2023	Security	Terms of Repayment
Rupee Loans	9.80%	6.59	10.88	Secured against first pari passu charge over the entire movable fixed assets of the Company both present and future, and second charge is created over the entire stock, receivables and other current assets of the Company both present and future.	Repayable in 22 quarterly installments beginning from September 2019
Rupee Loans	9.25% to 9.95%	17.19	25.79	1. Guaranteed By National Credit Guarantee Trustee Company Ltd. 2. Second Charge on all current assets of borrower both present and future 3. Extension of second ranking charge over existing primary and collateral securities created in favour of the bank (including but not limited to hypothecation on present and future stock, book debts and movable fixed assets of the company and assets of the borrower created out of this Facility	Repayable in 48 Monthly installments beginning from April 2022
Hire Purchase loans	7.70%	0.31	0.64	Secured by hypothecation of related vehicles	Monthly payment of Equated Monthly Installments beginning from the month subsequent to taking the loans.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(b) Short term

Particulars	Rate of interest as at March 31, 2024	As at March 31, 2024	As at March 31, 2023	Security	Pledge of shares
Working Capital loans	8.21% to 8.34%	36.00	37.60	First pari passu charge on entire Stock and Receivables of the Company both present and future.	Secured against Pledge 175,82,539 shares of Arvind Youth Brands Private Limited.
Working Capital loans	7.85%	28.00	28.00	First pari passu charge on entire Stock and Receivables of the Company both present and future.	
Working Capital loans	8.10%	15.00	29.15	First pari passu charge on entire Stock and Receivables of the Company both present and future.	Secured against Pledge of 81,15,018 shares of Arvind Youth Brands Private Limited (AYBPL).

2. All necessary charges or satisfaction are registered with ROC within the statutory period.

3. The Company has Fund based and Non-fund based limits of working capital from Banks and Financial Institutions. For the said facility, the revised submissions made by the Company to its lead bankers based on closure of book of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

4. The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

13 (b) Trade payable - Current

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Acceptances*	72.13	54.37
Other Trade Payables (Refer Note below)		
Total outstanding dues of micro enterprises and small enterprises (refer note below)	8.84	9.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	88.52	130.47
Total	**169.49**	**194.77**

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks/financial institutions while the company continues to recognize the liability till settlement with the banks/financial institutions.

Trade Payables ageing schedule:

As at March 31, 2024

₹ In Crores

Particulars	Outstanding for following periods from due date of Payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	8.84	-	-	-	-	8.84
Others	157.03	1.49	1.16	0.02	0.95	160.65
Total	**165.87**	**1.49**	**1.16**	**0.02**	**0.95**	**169.49**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

As at March 31, 2023

₹ In Crores

Particulars	Outstanding for following periods from due date of Payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	9.93	-	-	-	-	9.93
Others	180.26	2.97	0.02	0.40	1.19	184.84
Total	**190.19**	**2.97**	**0.02**	**0.40**	**1.19**	**194.77**

Based on the information available, the disclosures as required under section 22 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 are presented as follows :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
i) Principal	7.13	8.42
ii) Interest	1.71	1.51
(b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	1.71	1.51
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.71	1.51
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	1.71	1.51

13 (c) Other financial liabilities

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security Deposit	3.56	2.31
	3.56	**2.31**
Current		
Interest accrued but not due on borrowings	1.07	0.56
Payable to employees (Refer Note 23(b))	20.47	10.21
Payable for capital goods	0.74	0.61
Other Payable (Refer Note 30)	6.51	
Financial Guarantee Contract	0.02	0.13
Unclaimed Dividend Payable (Refer Note 7(e))	0.04	-
Others*	1.04	1.04
	29.89	**12.55**
Total	**33.45**	**14.86**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Financial guarantee contract

1) The Company has given the financial guarantee to Banks on behalf of Subsidiary Company.

* This includes Unpaid Fractional Shares Amount of ₹1.04 Crores (previous year ₹1.04 Crores) and due for refund for the excess money received on Right Issue of ₹14,400 (previous year ₹14,400)

13 (d) : Financial Liabilities by category

₹ In Crores

Particulars	FVOCI	FVTPL	Amortised Cost
March 31, 2024			
Borrowings	-	-	103.09
Trade payables	-	-	169.49
Lease liabilities	-	-	24.29
Security Deposits	-	-	3.56
Payable to employees	-	-	20.47
Financial Guarantee Contract	-	0.02	-
Interest accrued but not due	-	-	1.07
Payable in respect of Capital goods	-	-	0.74
Other Payable	-	-	6.51
Unclaimed Dividend Payable	-	-	0.04
Others	-	-	1.04
Total Financial liabilities	**-**	**0.02**	**330.31**

₹ In Crores

Particulars	FVOCI	FVTPL	Amortised Cost
March 31, 2023			
Borrowings	-	-	132.06
Trade payables	-	-	194.77
Lease liabilities	-	-	19.59
Security Deposits	-	-	2.31
Payable to employees	-	-	10.21
Financial Guarantee Contract	-	0.13	-
Interest accrued but not due	-	-	0.56
Payable in respect of Capital goods	-	-	0.61
Others	-	-	1.04
Total Financial liabilities	**-**	**0.13**	**361.15**

1. Financial instruments risk management objectives and policies, refer Note 37.
2. Fair value disclosure for financial assets and liabilities, refer note 35 and fair value hierarchy disclosures refer note 36.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 14: PROVISIONS

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term		
Provision for employee benefits (Refer Note 29)		
Provision for leave encashment	1.43	1.20
Provision for Gratuity	3.31	2.71
	4.74	**3.91**
Short-term		
Provision for employee benefits (Refer Note 29)		
Provision for leave encashment	0.41	0.39
Provision for Gratuity	0.32	0.00
	0.73	**0.39**
Total	**5.47**	**4.30**

NOTE 15 : OTHER CURRENT LIABILITIES

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Advance from customers	10.35	9.10
Statutory dues including provident fund and tax deducted at source	2.28	2.84
Contract Liabilities		
Deferred income of loyalty program reward points (Refer Note 16 (II) and Note (a) below)	0.98	0.80
Deferred Revenue (Refer Note 16 (II))	0.18	0.09
Total	**13.79**	**12.83**

(a) Deferred income of Loyalty Program Reward Points

The Company has deferred the revenue related to the customer loyalty program reward points. The movement in deferred revenue for those reward points are given below:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements	0.80	0.38
Provision made during the year(net)	1.47	1.30
Less: Redemption made during the year	1.29	0.88
Balance at the end of the year	**0.98**	**0.80**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 16 : REVENUE FROM OPERATIONS

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products	607.69	740.09
Operating income		
Export incentives	0.26	0.22
Foreign Exchange fluctuation on Vendors and Customers (Net)	1.14	0.26
	1.40	**0.48**
Total	**609.09**	**740.57**

I. Disaggregation of revenue from contracts with customers

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Revenue based on Geography		
i. Domestic	592.74	727.02
ii. Export	16.35	13.55
	609.09	**740.57**
B. Revenue based on Business Segment		
Branded Apparels and accessories	**609.09**	**740.57**

II. Contract Balances

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables (Refer note 7(b)	226.26	242.99
Advance from customers (Refer note 15)	10.35	9.10
Contract liabilities		
Deferred Revenue (Refer Note 15)	0.18	0.09
Deferred income of loyalty program reward points (Refer Note 15)	0.98	0.80

Note : Contract liabilities include transaction price of loyalty points not yet redeemed

III. Reconciliation of Revenue from Operation with Contract Price

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract Price	1,063.93	1,179.49
Less:		
Sales Return	290.81	293.06
Schemes and Discounts	162.56	144.56
Customer Loyalty Program	1.47	1.30
Total Revenue from Operations	**609.09**	**740.57**

Notes :

a) In the earlier years, the wholly owned subsidiary of the Company i.e. Arvind Lifestyle Brands Limited (ALBL) had sublicensed its right with respect to "U.S. Polo Assn. footwear brand business" exclusively to the Company under the sublicense Agreement. Pursuant to mutual discussion between the parties i.e. ALBL ("Sub licensor") and the Company ("Sublicensee") the said exclusive Sublicense Agreement stands terminated effective from January 01, 2023. In accordance with the terms of the said Sublicense Agreement, ALBL has exercised its right of buying back of products from the Company at the Company's landing cost.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

b) W.e.f. July 1, 2023 the Company has changed the estimation for calculating Right to Return as per Ind-AS 115 from yearly average to the season average, based on latest trends. Accordingly, the change in return provision is being applied prospectively in accordance with Ind AS-8. Had the company continued with previously assessed method, revenue from operations for the year ended March 31, 2024, would have been lower by ₹ 12.56 crores. While Cost of Goods Sold for the year ended March 31, 2024, would have been lower by ₹ 6.02 crore.

NOTE 17 : OTHER INCOME

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income* (Refer Note 30)	0.84	0.01
Interest income on ICD (Refer Note 30)	7.02	6.26
Dividend income (Refer Note 30)	49.28	-
Financial guarantee commission (Refer Note 1)	3.85	4.43
Profit on sale of Property, Plant & Equipment (Net)	-	0.02
Liability no longer required - written back	1.00	0.99
Provision for doubtful debts - written back	-	6.18
Profit on sale of Mutual Fund	0.38	-
Miscellaneous income	0.01	0.13
Total	**62.38**	**18.02**

Notes :

1. The Company has given financial guarantee to Banks on behalf of the subsidiary. Fair value of the financial guarantee has been accounted as liability and amortised over the period of loan as commission income.
   *The amount includes interest on Perpetual debt of ₹ 0.70 Crore (Previous year : Nil)

NOTE 18 : PURCHASES OF STOCK-IN-TRADE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Branded Apparels and Accessories	438.77	506.46
Total	**438.77**	**506.46**

NOTE 19 : CHANGES IN INVENTORIES

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Stock at the end of the year		
Stock-in-trade	59.95	27.08
Stock at the beginning of the year		
Stock-in-trade	27.08	41.36
Increase/(Decrease) in Inventories	**(32.87)**	**14.28**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 20 : EMPLOYEE BENEFITS EXPENSE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 29)	56.66	49.45
Contribution to provident and other funds (Refer Note 29)	2.16	1.95
Welfare and training expenses	2.88	1.93
Share based payment to employees (Refer Note 32)	3.10	3.34
Total	**64.80**	**56.67**

NOTE 21 : FINANCE COSTS

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses on		
Loans	8.95	8.53
Lease liabilities (Refer Note 33)	1.87	1.71
Others	1.89	0.34
Other finance cost	6.79	4.94
Total	**19.50**	**15.52**

NOTE 22 : DEPRECIATION AND AMORTIZATION EXPENSE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of Property, Plant & Equipment (Refer Note 5)	4.50	6.66
Amortization of Intangible assets (Refer Note 6)	3.61	4.13
Depreciation of right-of-use-assets (Refer Note 33)	4.65	3.77
Total	**12.76**	**14.56**

NOTE 23 : OTHER EXPENSES

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	0.14	0.13
Insurance	0.65	0.52
Processing charges	1.47	1.01
Printing, stationery & communication	1.19	1.06
Rent Expenses (Refer Note 33)	0.02	2.03
Commission & Brokerage	3.23	2.98
Rates and taxes	0.97	2.69
Repairs :		
To Building	0.25	0.22
To others	0.17	0.20
Royalty on Sales*	30.65	44.75
Freight, insurance & clearing charge	4.47	5.19
Legal & Professional charges	9.06	9.47

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Computer Expenses	1.22	1.33
Conveyance & Travelling expense	5.04	5.21
Advertisement and publicity	28.34	26.37
Packing Materials Expenses	-	0.69
Outsource Services	26.75	24.33
Sampling and Testing Expenses	4.88	4.04
Director's sitting fees and Commission	0.95	0.49
Allowance for doubtful debts	0.13	-
Auditor's remuneration - (Refer note 23(a) below)	1.03	0.80
Business Conducting Fees	1.05	2.25
Bank charges	0.19	0.19
Warehouse Charges	2.83	3.40
Corporate Social Responsibility Expenses (Refer Note 34)	-	0.16
Loss on assets sold, demolished, discarded and scrapped	-	-
Miscellaneous expenses	1.22	1.49
Total	**125.90**	**141.00**

Notes :

*Royalty on sales includes termination fees amounting to Nil (FY 2022-23 ₹ 7.93 Crores) for one of the brands.

Note 23(a): Breakup of Auditor's remuneration

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to Auditors as		
Statutory Auditor Fees	0.95	0.75
Certification Fee	0.02	0.01
For reimbursement of expenses	0.06	0.04
Total	**1.03**	**0.80**

Note 23(b): Exceptional items

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loss On Sale Of Investment	38.37	-
Legal and Professional Fees	3.09	-
Salary Incentive	10.00	-
Total	**51.46**	**-**

Note :

1) During the current year ended March 31, 2024, the company has entered into Share Purchase Agreement (SPA) with Reliance Beauty & Personal Care Limited to sell and transfer entire equity stake held by the company in Arvind Beauty Brands Retail Limited (ABBRL) (now known as Reliance Luxe Beauty Limited), at an enterprise value of ₹ 212.79 Crores (based on adjustments based of closing period balances) towards sale of equity shares and repayment of loans.
The company has made a provision of ₹ 1.69 crores towards the ongoing contingent matters related to ABBRL business prior to transfer date to be borne by the company as per SPA.
The Company has made a provision of ₹ 10 crores as ex-gratia payment to employee who were involved in the sale process.
The Company has presented loss on sale of equity investment and expenditure incurred as an exceptional item in the financial results.
ABBRL ceased to be a subsidiary from November 03, 2023.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 24 : INCOME TAX

The major component of income tax expense:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statement of Profit and Loss		
Current tax		
Current income tax	1.01	-
Deferred tax		
Deferred tax Charge/(Credit)	1.48	0.24
Income tax expense reported in the statement of profit and loss	**2.49**	**0.24**

OCI section

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statement to Other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on actuarial gains and losses	(0.09)	(0.24)
Deferred tax charged to OCI	**(0.09)**	**(0.24)**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:

A) Current tax

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit/(loss) before tax	(8.85)	10.10
Tax Rate	34.944%	34.944%
Current Tax Expenses on Profit before tax at the enacted income tax rate in India	(3.09)	3.53
Adjustments		
Expenditure not deductible for Tax	0.07	0.06
Share based Payment Expense	(1.14)	(1.21)
Guarantee Commission Income	(1.34)	(1.55)
Non-recognition of deferred taxes due to absence of probable certainty of reversal in future	(4.86)	-
Loss on Sale of Investment	13.41	-
Other non deductible expense	(0.56)	(0.59)
At the effective income tax	**2.49**	**0.24**
Effective Income Tax Rate %	**(28.11%)**	**2.38%**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

B) Deferred tax

₹ In Crores

Particulars	Standalone Balance Sheet	Statement of Standalone Profit & Loss and Other Comprehensive Income	Standalone Balance Sheet	Statement of Standalone Profit & Loss and Other Comprehensive Income
	As at Mar 31, 2024	Year ended Mar 31, 2024	As at Mar 31, 2023	Year ended Mar 31, 2023
Accelerated depreciation for tax purposes	7.75	0.04	7.79	(2.78)
Expenditure allowable on payment basis over the period	2.24	(0.18)	2.06	0.06
Expenses on Employee Stock Option	1.99	0.05	2.04	(1.17)
Allowance for Doubtful Receivables/ Advances	0.01	0.30	0.31	2.23
Unused tax credit available for offsetting against future taxable income (MAT credit entitlement)	4.96	1.39	6.35	-
Unabsorbed Depreciation and Business Loss	(0.67)	0.09	(0.58)	3.04
Impact of Ind AS 116	1.70	(0.31)	1.39	(1.39)
Others	(0.02)	0.01	(0.01)	0.01
Net deferred tax assets/(liabilities)	**17.96**	**1.39**	**19.35**	**-**

Note :

(i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(ii) The Company has unused carried forward losses of ₹19.31 Crores as at March 31, 2024 (March 31, 2023: ₹ ₹ 35.68 Crores). Out of the same, tax credits on losses of ₹ 12.29 Crores (March 31, 2023: ₹ 28.65 Crores) have not been recognized on the basis that recovery is not probable in the foreseeable future. The Company has stopped recognizing additional deferred tax asset on all the components mentioned above, until it becomes probable that sufficient taxable profits will be available.

Reconciliation of Deferred Tax Assets/(Liabilities), Net

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance as at April 1	19.35	19.35
Deferred Tax income/(expense) during the period recognised in profit or loss	(1.48)	(0.24)
Deferred Tax income/(expense) during the period recognised in OCI	0.09	0.24
Closing balance as at March 31	**17.96**	**19.35**

NOTE 25 : CONTINGENT LIABILITIES

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liabilities not provided for		
b. Disputed demands in respect of (Refer Notes below)		
VAT/CST	3.57	4.01
Income Tax	7.52	7.52
GST	4.01	-

Notes :

(a) The Company has determined that it is not feasible to reliably estimate the timing of any cash outflows, if any, related to the aforementioned pending resolutions of legal proceedings.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(b) The Company does not expect any reimbursements in respect of the above Contingent liabilities.
(c) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of the operations.

NOTE 26 : CAPITAL COMMITMENT

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances)	1.18	0.04

NOTE 27 : FOREIGN EXCHANGE EXPOSURES NOT HEDGED

Nature of exposure	In FC USD	₹ in Crores
Receivables		
As at March 31, 2024	0.08	6.33
As at March 31, 2023	0.06	4.94
Payable to creditors		
As at March 31, 2024	0.27	22.43
As at March 31, 2023	0.34	28.12

NOTE 28 : SEGMENT REPORTING

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The company's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Segment Revenue*		
a) In India	592.74	727.02
b) Rest of the world	16.35	13.55
Total Sales	**609.09**	**740.57**
Carrying Cost of Segment Assets**		
a) In India	2,647.09	2,695.56
b) Rest of the world	6.33	4.94
Total	**2,653.42**	**2,700.50**
Carrying Cost of Segment Non Current Assets@**		
a) In India	114.80	55.08
b) Rest of the world	-	-
Total	**114.80**	**55.08**

* Based on location of Customers
** Based on location of Assets
@ Excluding Investment and Deferred Tax Assets

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Information about major customers (revenues from single external customer more than 10% of total revenue):

The Company has two customer contributing ₹ 264.28 Crores (March 31, 2023, one customer contributing ₹ 344.09 Crores) to the revenue of the Company

NOTE 29 : DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A Defined Contribution Plans

The following amounts are recognised as expense and included in Note 20 "Employee benefit expenses

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund	2.01	1.80
Contribution to National Pension Scheme	0.15	0.13
Contribution to ESI	(₹3,426/-)	0.02
Contribution to Labour Welfare Fund	(₹17,331/-)	(₹30,038/-)
Total	**2.16**	**1.95**

Note

(a) Employees of the Company receive benefits from a provident fund, which is a defined contribution plan. The eligible employees and the company make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. Employees of the Company receive benefits from a government administered provident fund, which is a defined contribution plan. The Company has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

B Defined Benefit Plans

The Company has following post employment benefits which are in the nature of defined benefit plans:

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by the Company .

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Life Insurance Coporation - Insurance product.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

March 31, 2024: Changes in defined benefit obligation and plan assets

₹ In Crores

2023-24	April 1, 2023	Gratuity cost charged to statement of profit and loss: Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 20)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income: Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Increase (decrease) due to effect of business combination/ transfer	Contributions by employer	March 31, 2024
Gratuity													
Defined benefit obligation	(3.49)	(0.53)	(0.23)	(0.76)	0.41	-	(0.08)	(0.02)	(0.15)	(0.25)	0.03	-	(4.06)
Fair value of plan assets	0.79	-	0.06	0.06	(0.41)	(0.01)	-	-	-	(0.01)	-	-	0.43
Total benefit liability	**(2.70)**	**(0.53)**	**(0.17)**	**(0.70)**	**-**	**(0.01)**	**(0.08)**	**(0.02)**	**(0.15)**	**(0.26)**	**0.03**	**-**	**(3.63)**

March 31, 2023: Changes in defined benefit obligation and plan assets

₹ In Crores

2022-23	April 1, 2022	Gratuity cost charged to statement of profit and loss: Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 20)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income: Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Increase (decrease) due to effect of business combination/ transfer	Contributions by employer	March 31, 2023
Gratuity													
Defined benefit obligation	(3.21)	(0.39)	(0.16)	(0.55)	0.99	-	(0.09)	(0.22)	(0.40)	(0.71)	(0.01)	-	(3.49)
Fair value of plan assets	0.24	-	0.01	0.01	(0.99)	0.03	-	-	-	0.03	-	1.50	0.79
Total benefit liability	**(2.97)**	**(0.39)**	**(0.15)**	**(0.54)**	**-**	**0.03**	**(0.09)**	**(0.22)**	**(0.40)**	**(0.68)**	**(0.01)**	**1.50**	**(2.70)**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Others (Insurance company Products)	100%	100%
(%) of total plan assets	100%	100%

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.20%	7.30%
Future salary increase	13.26% for Front End Employees 12.77% for Others	8.30% for Front End Employees 12.73% for Others
Expected rate of return on plan assets	7.20%	7.30%
Attrition rate	31.1% for Front End Employees 23.7% for Others	32.80% for Front End Employees 25.5% for Others
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult

A Quantitative sensitivity analysis for significant assumptions is as shown below:

₹ In Crores

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact) Year ended March 31, 2024	Year ended March 31, 2023
Gratuity			
Discount rate	50 basis points increase	(0.07)	(0.06)
	50 basis points decrease	0.08	0.06
Salary increase	50 basis points increase	0.06	0.05
	50 basis points decrease	(0.06)	(0.05)
Attrition rate	50 basis points increase	(0.02)	(0.02)
	50 basis points decrease	0.02	0.02

The above sensitivity analysis may not be representative of the actual benefit 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. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The followings are the expected future benefit payments for the defined benefit plan :

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Within the next 12 months (next annual reporting period)	0.75	0.74
Between 2 and 5 years	3.73	3.39
Beyond 5 years	3.38	2.69
Total expected payments	**7.86**	**6.82**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Weighted average duration of defined plan obligation (based on discounted cash flows)

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity	4 years	4 years

C Leave encashment

The Company has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each 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. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Leave encashment	0.59	0.74
	0.59	**0.74**

Liability recognised in Balance Sheet

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Long term provisions	1.43	1.20
Short term provisions	0.41	0.39
	1.84	**1.59**

NOTE 30 : RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows :

Name of Related Parties	Nature of Relationship
Arvind Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Lifestyle Brand Limited	Subsidiary Company
Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited)	Subsidiary Company (Ceased to be a subsidiary from November 03, 2023)
PVH Arvind Fashion Private Limited (Previously known as Calvin Klein Arvind Fashion Pvt Ltd)	Subsidiary Company
Value Fashion Retail Limited	Subsidiary Company of Arvind Lifestyle Brands Limited
Arvind Youth Brands Private Limited	Subsidiary Company of Arvind Lifestyle Brands Limited
Arvind Sports Fashion Pvt. Ltd (Previously known as Arvind Ruf & Tuf Private Limited)	Enterprise on which Non-Executive Director exercise significant influence
Arvind Polymer Textiles Ltd (Previously known as Arvind True Blue Limited)	Enterprise on which Non-Executive Director exercise significant influence
Arvind Premium Retail Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Suit Manufacturing Pvt. LTD.(Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	Enterprise on which Non-Executive Director exercise significant influence

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Name of Related Parties	Nature of Relationship
Arvind Internet Limited	Enterprise on which Non-Executive Director exercise significant influence (up to June 30, 2022)
Arvind Smart Textile Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Envisol Limited	Enterprise on which Non-Executive Director exercise significant influence
Aura Securities Private Limited	Enterprise on which Non-Executive Director exercise significant influence
Multiples Private Equity Fund II LLP	Enterprise on which Non-Executive Director exercise significant influence
Suresh Jayaraman	Non-executive director
Shailesh Shyam Chaturvedi	Key Management Personnel, Managing Director & CEO
Piyush Gupta, Chief Financial Officer	Key Management Personnel, (upto January 5, 2023)
Girdhar Kumar Chitlangia, Chief Financial Officer	Key Management Personnel, (w.e.f. January 6, 2023)
Lipi Jha, Company Secretary	Key Management Personnel, (w.e.f. May 27, 2022)
Sanjaybhai S. Lalbhai	Non Executive Director and Chairman
Nithya Easwaran	Non Executive Director
Kulin S. Lalbhai	Non Executive Director and Vice-chairman
Punit S. Lalbhai	Non Executive Director
Nilesh D. Shah	Non Executive Director
Abanti Sankaranarayanan	Non Executive Director (upto March 10, 2023)
Vallabh R. Bhanshali	Non Executive Director (upto October 9, 2023)
Nagesh D. Pinge	Non Executive Director
Achal A. Bakeri	Non Executive Director
Vani Kola	Non Executive Director (upto July 1, 2022)
Ananya Tripathi	Non Executive Director (w.e.f March 14, 2023)
Manoj Nakra	Non Executive Director, (w.e.f July 1, 2022)
Govind Shrikhande	Non Executive Director, (w.e.f October 9, 2023)

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

a. Transactions with related parties for the year ended March 31, 2024 and year ended March 31, 2023.

₹ In Crores

Particulars	Subsidiaries	Key Managerial Personnel and Non Executive Directors	Enterprise on which Non-Executive Director exercise significant influence
Purchase of Goods and Materials			
March 31, 2024	-	-	3.28
March 31, 2023	93.99	-	-
Purchase of Property, Plant & Equipment and Intangible Assets			
March 31, 2024	-	-	-
March 31, 2023	0.25	-	-
Net Sales of Goods and Materials			
March 31, 2024	198.84	-	0.14
March 31, 2023	344.09	-	-
Receiving of Services-Royalty			
March 31, 2024	-	-	-
March 31, 2023	8.31	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	Subsidiaries	Key Managerial Personnel and Non Executive Directors	Enterprise on which Non-Executive Director exercise significant influence
Receiving of Services-Shared services			
March 31, 2024	2.08		1.20
March 31, 2023	1.16	-	0.77
Guarantee Commission Income			
March 31, 2024	3.85	-	-
March 31, 2023	4.43	-	-
Rendering of Services-Shared service and Other Income			
March 31, 2024	11.35	-	-
March 31, 2023	14.55	-	-
Interest Income			
March 31, 2024	7.02	-	-
March 31, 2023	6.26	-	-
Remuneration			
March 31, 2024	-	14.02	
March 31, 2023	-	11.09	-
Directors' Commission and Sitting Fees			
March 31, 2024	-	0.95	-
March 31, 2023	-	0.48	-
Dividend Paid			
March 31, 2024	-	0.14	4.89
March 31, 2023	-	-	-
Loan Given			
March 31, 2024	149.17	-	-
March 31, 2023	77.50	-	-
Repayment of Loan Given			
March 31, 2024	134.60	-	-
March 31, 2023	16.00	-	-
Investments made			
March 31, 2024	4.84	-	-
March 31, 2023	5.88	-	-
Investments in NCD			
March 31, 2024	-	-	-
March 31, 2023	15.00	-	-
Redemption of NCD			
March 31, 2024	15.00	-	-
March 31, 2023	-	-	-
Interest Income of NCD			
March 31, 2024	0.70	-	-
March 31, 2023	-	-	-
Dividend Income			
March 31, 2024	49.28	-	-
March 31, 2023	-	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

b. Balances

₹ In Crores

Particulars	Subsidiaries	Key Managerial Personnel and Non Executive Directors	Enterprise on which Non-Executive Director exercise significant influence
Guarantee Given			
March 31, 2024	849.52	-	-
March 31, 2023	1,066.64	-	-
Trade and Other Receivable			
March 31, 2024	170.90	-	0.13
March 31, 2023	238.41	-	2.98
Trade and Other Payable			
March 31, 2024	4.34	-	0.58
March 31, 2023	0.08	-	0.02
Receivable in respect of Loans			
March 31, 2024	127.85	-	-
March 31, 2023	110.43	-	-
Investment			
March 31, 2024	1,984.79	-	-
March 31, 2023	2,129.12	-	-

c. Terms and conditions of transactions with related parties

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given & taken and fair value of financial guarantee contract, at the year-end are unsecured and interest free and settlement occurs in cash.

2) Loans given to related party carries interest rate of 8.20% to 8.50% (March 31, 2023 : 8.20% to 8.50%).

d. Commitments with related parties

The Company has not provided any commitment to the related party (March 31, 2023: ₹ Nil).

e. Transactions with key management personnel

Compensation of key management personnel of the company

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	13.03	8.57
Share based payments	0.99	2.52
Total compensation paid to key management personnel	**14.02**	**11.09**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

f. Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186 (4) of the Companies Act, 2013

Loans and Advances in the nature of loans

₹ In Crores

Name of Related Party	Purpose	Balance as at March 31, 2024	Balance as at March 31, 2023	Maximum Outstanding during March 31, 2024	Maximum Outstanding during March 31, 2023
Loans and Advances					
Arvind Lifestyle Brands Limited	General Business	127.85	36.60	127.85	43.29
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	General Business	-	73.83	74.87	77.50
Corporate Guarantee given on behalf of					
Arvind Lifestyle Brands Limited	Facilitate Trade Finance	643.02	845.14	837.82	848.09
Arvind Youth Brands Private Limited	Facilitate Trade Finance	67.50	52.50	67.50	97.50
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	Facilitate Trade Finance	-	30.00	50.00	30.00
PVH Arvind Fashion Private Limited	Facilitate Trade Finance	139.00	139.00	139.00	139.00

g. Disclosures in respect of material transaction of the same type with related parties during the year

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Purchase of Goods		
Arvind Lifestyle Brands Limited	-	93.99
Sale of Goods		
Arvind Lifestyle Brands Limited	198.84	344.09
Loan Given		
Arvind Lifestyle Brands Limited	127.17	-
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	22.00	77.50
Loan Repayment		
Arvind Lifestyle Brands Limited	38.78	10.00
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	95.82	6.00
Dividend Income from Investments		
PVH Arvind Fashion Private Limited (Previously known as Calvin Klein Arvind Fashion Pvt Ltd)	49.28	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

h. Disclosures in respect of material balance of the same type with related parties as at March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Investments		
Arvind Lifestyle Brands Limited	1,721.59	1,717.99
Arvind Lifestyle Brands Limited -Perpetual Non Convertible Debentures	100.00	100.00
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	-	134.01
PVH Arvind Fashion Private Limited (Previously known as Calvin Klein Arvind Fashion Pvt Ltd)	116.88	116.32
Arvind Youth Brands Private Limited	46.32	45.80
Trade and Other Receivable		
Arvind Lifestyle Brands Limited	170.47	236.14
Loan Given		
Arvind Lifestyle Brands Limited	127.85	36.60
Reliance Luxe Beauty Limited (Earlier known as Arvind Beauty Brands Retail Limited)	-	73.83
Guarantee Given		
Arvind Lifestyle Brands Limited	643.02	845.14
Arvind Youth Brands Private Limited	67.50	52.50
PVH Arvind Fashion Private Limited	139.00	139.00

Note 31 : Earnings per share - EPS (Basic and Diluted)

₹ In Crores

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Profit/(Loss) for the year			
Adjusted Profit for the year for EPS Calculation		(11.34)	9.86
		(11.34)	**9.86**
Total no. of equity shares at the end of the year			
		13,29,84,460	**13,28,25,660**
Weighted average number of equity shares			
For basic EPS	No.	13,28,88,315	13,26,93,378
For diluted EPS	No.	13,28,88,315	13,30,39,031
Nominal value of equity shares	₹	4	4
Basic earnings per share	₹	(0.85)	0.74
Diluted earnings per share	₹	(0.85)	0.74
Weighted average number of equity shares			
Weighted average number of equity shares for basic EPS		13,28,88,315	13,26,93,378
Effect of dilution: Share options		-	3,45,653
Weighted average number of equity shares adjusted for the effect of dilution		13,28,88,315	13,30,39,031

#All numbers are ₹ in crore except weighted average number of equity shares, nominal value of Shares and Basic and Diluted EPS

NOTE 32 : SHARE BASED PAYMENTS

The Company has instituted Employee Stock Option Scheme 2016 ("ESOP 2016") and Employee Stock Option Scheme 2018 ("ESOP 2018"), Employee Stock Option Scheme 2022 ("ESOP 2022") pursuant to the approval of the shareholders of the Company at their General Meeting held on October 15, 2016 and on May 12, 2018, September 26, 2022 respectively. Up to March 31, 2024, the Company has granted 42,63,049 options under ESOP 2016, 3,15,200 options under ESOP 2018 in lieu of demerger under the Scheme and 3,14,000 options under Employee Stock Option Scheme 2022 ("ESOP 2022") convertible into equal number of Equity Shares of face value of ₹ 4 each. The following table sets forth the particulars of the options granted during the year ended 31st March 2024 and 31st March 2023 under ESOP 2016 and ESOP 2022.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The following table sets forth the particulars of ESOP 2016 & ESOP 2022:

Scheme	March 31, 2024		March 31, 2023		
	ESOP 2022		ESOP 2016		ESOP 2022
Date of grant	30-May-23	10-Aug-23	10-Aug-22	5-Jan-23	14-Feb-23
Number of options granted	50,000	1,49,000	2,30,000	85,000	1,15,000
Exercise price per option	₹ 265.85	₹ 335.30	₹ 293.50	₹ 349.75	₹ 306.10
Vesting period	Up to 5 years from the date of grant		Up to 5 years from the date of grant		Up to 5 years from the date of grant
Vesting requirements	Time based vesting		Time based vesting	Time based vesting	Time based vesting
Exercise period	3 Years from the date of vesting		5 years from the date of vesting		3 years from the date of vesting
Method of settlement	Equity	Equity		Equity	Equity

The following table sets forth a summary of the activity of options:

Particulars	ESOP 2016			
	March 31, 2024	Weighted average exercise price per option (₹) #	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	17,46,727	333.30	18,69,274	302.64
Vested but not exercised at the beginning of the year	-	-		0
Granted during the year	-	-	3,15,000	308.68
Forfeited during the year	(1,05,523)	256.34	(73,700)	284.35
Exercised during the year	(1,58,800)	146.74	(3,63,847)	143.93
Reduction in options due to consolidation of shares	-		-	0
Outstanding at the end of the year	14,82,404	358.76	17,46,727	333.30
Exercisable at the end of the year	13,62,377	443.28	9,15,377	468.43

Price adjusted due to Right Issue bonus factor of ₹ 56.73 per option outstanding

Particulars	ESOP 2018			
	March 31, 2024	Weighted average exercise price per option (₹)	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	-	-	3,15,200	834.13
Vested but not exercised at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(3,15,200)	834.13
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

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For the year ended March 31, 2024

Particulars	ESOP 2022			
	March 31, 2024	Weighted average exercise price per option (₹)	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	1,15,000	306.10	-	-
Vested but not exercised at the beginning of the year	-	-	-	-
Granted during the year	1,99,000	317.85	1,15,000	306.10
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	3,14,000	313.55	1,15,000	306.10
Exercisable at the end of the year	33,000	306.10	-	-

Share Options Exercised Year ending March 31, 2024

Option Series	No. of Options	Exercise Date	Exercise Price
ESOS 2016	2,500	7-Jun-23	148.2
ESOS 2016	2,500	7-Jun-23	148.2
ESOS 2016	44,000	5-Jul-23	153.17
ESOS 2016	6,000	4-Sep-23	153.17
ESOS 2016	9,000	4-Sep-23	137.32
ESOS 2016	10,000	20-Sep-23	148.2
ESOS 2016	43,750	6-Nov-23	136.02
ESOS 2016	6,250	6-Nov-23	46.02
ESOS 2016	1,100	22-Nov-23	148.20
ESOS 2016	2,000	22-Nov-23	148.20
ESOS 2016	2,200	22-Nov-23	128.93
ESOS 2016	1,000	7-Dec-23	148.20
ESOS 2016	1,000	7-Dec-23	148.20
ESOS 2016	1,500	7-Dec-23	148.20
ESOS 2016	1,500	18-Dec-23	148.20
ESOS 2016	1,500	18-Jan-24	148.20
ESOS 2016	500	8-Mar-24	148.20
ESOS 2016	6,000	8-Mar-24	286.70
ESOS 2016	4,000	28-Mar-24	148.20
ESOS 2016	5,000	28-Mar-24	148.20
ESOS 2016	7,500	28-Mar-24	148.20

Share Options Exercised Year ending March 31, 2023

Option Series	No. of Options	Exercise Date	Exercise Price
ESOS 2016	1,00,000	21-Apr-22	153.17
ESOS 2016	15,000	14-Jun-22	153.17
ESOS 2016	21,000	14-Jun-22	137.32
ESOS 2016	52,500	4-Aug-22	136.02
ESOS 2016	52,500	4-Aug-22	137.32
ESOS 2016	7,500	4-Aug-22	148.20
ESOS 2016	7,500	17-Aug-22	46.02
ESOS 2016	21,700	17-Aug-22	148.20
ESOS 2016	35,000	20-Sep-22	148.20
ESOS 2016	15,000	7-Oct-22	39.29

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Option Series	No. of Options	Exercise Date	Exercise Price
ESOS 2016	8,500	28-Nov-22	286.70
ESOS 2016	9,000	28-Nov-22	148.20
ESOS 2016	1,075	28-Nov-22	44.87
ESOS 2016	2,558	28-Nov-22	117.19
ESOS 2016	520	28-Nov-22	128.93
ESOS 2016	6,000	10-Feb-23	286.70
ESOS 2016	3,600	10-Feb-23	148.20
ESOS 2016	4,894	10-Feb-23	128.93

The share options outstanding at the end of the year under ESOP 2016 have a weighted average remaining contractual life of 4.99 years (March 31, 2023: 5.59 years). The range of exercise price is from ₹ 39.29 to ₹ 1320.37

The share options outstanding at the end of the year under ESOP 2022 have a weighted average remaining contractual life of 5.15 years (March 31, 2023: 5.88 years). The exercise price is from ₹ 265.85 to ₹ 335.30

Particulars	ESOP 2016	ESOP 2018	ESOP 2022	
Share price as at measurement date	No grants made during the period	No grants made during the period	265.85	335.30
Expected volatility			47.23%	42.61%
Expected life (years)			1.98 years	1.88 years
Dividend yield			0.00%	0.00%
Risk-free interest rate (%)			6.87%	7.07%

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee option plan	3.10	3.34
Total employee share based payment expense	**3.10**	**3.34**

NOTE 33 : LEASES

A. The Company has adopted modified retrospective approach as per para C8 (C) (i) of Ind-AS 116 "Leases" to its leases.

B. The Company has taken Showrooms, office building and warehouse on lease period of 1 to 11 years with option of renewal. Disclosures as per Ind AS 116 - Leases are as follows:

C. Changes in the carrying value of right of use assets

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	18.54	-
Additions	8.47	22.31
Depreciation (charged to statement of profit and loss)	(4.65)	(3.77)
Balance at the end of the year	**22.36**	**18.54**

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

D. Movement in lease liabilities

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	19.59	-
Additions	8.48	22.31
Finance cost accrued during the year (charged to statement of profit and loss)	1.87	1.71
Payment of lease liabilities	(5.65)	(4.43)
Balance at the end of the year	**24.29**	**19.59**

E. Contractual maturities of lease liabilities

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than one year	5.40	3.74
One to five years	16.70	14.30
More than five years	2.19	1.55
Total	**24.29**	**19.59**

F. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

G. The amount recognised in the statement of profit or loss are as follows:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other Expense		
Rent expense - short-term lease and leases of low value assets	0.02	2.03
Total	**0.02**	**2.03**

NOTE 34 : CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount spent during the year on,		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	0.16
c) Amount unspent during the year	-	-
d) Total of previous years shortfall	-	-
e) Reasons for shortfall	-	-
f) Details of related party transactions		
Name	-	-
Relationship	-	-
Amount	-	-
g) Movement of CSR Provision		
Balance as per last financial statements	-	-
Add: Provision made during the year	-	-
(Less): Utilised during the year	-	-
Balance at the end of the year	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

NOTE 35 : FAIR VALUE DISCLOSURES FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Investment in Perpetual Non Convertible Debentures measured at Cost		
Carrying Amount	100.00	115.00
Fair Value	100.00	115.00
Financial liabilities		
Borrowings		
Carrying Amount	103.09	132.06
Fair Value	103.09	132.06

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

NOTE 36 : FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at Fair Value					
Financial Guarantee Contract	March 31, 2024	0.02	-	-	0.02
	March 31, 2023	0.13	-	-	0.13

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTE 37 : FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments. The Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 50-basis points of the interest rate yield curves in all currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

The following assumption has been made in calculating the sensitivity analysis:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at respective year end including the effect of hedge accounting.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2024, approximately 0.3% of the Company's Borrowings are at fixed rate of interest (March 31, 2023: 0.5%)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ In Crores

Particulars	Effect on profit before tax
March 31, 2024	
Increase in 50 basis points	(0.51)
Decrease in 50 basis points	0.51
March 31, 2023	
Increase in 50 basis points	(0.66)
Decrease in 50 basis points	0.66

Exclusion from this analysis are as follows:

- Fixed rate financial instruments measured at cost : Since a change in interest rate would not change the carrying amount of this category of instruments, there is no net income impact and they are excluded from this analysis

- The effect of interest rate changes on future cash flows is excluded from this analysis.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk. The Company may use forward contracts or foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate.

The Company manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by Board as per established risk management policy. Details of the hedge & unhedged position of the Company given in Note 27.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD rates to the functional currency of entity, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

₹ In Crores

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2024	+2%	(0.29)
	-2%	0.29
March 31, 2023	+2%	(0.47)
	-2%	0.47

Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7(b). The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as is the carrying amount as disclosed in Note 37.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

₹ In Crores

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
March 31, 2024				
Interest bearing borrowings	94.34	11.08	-	105.42
Trade payables	169.49	-	-	169.49
Other financial liabilities#	29.89	3.56	-	33.45
Lease liability	7.82	20.74	3.71	32.27
	301.54	**35.38**	**3.71**	**340.63**
March 31, 2023				
Interest bearing borrowings	110.90	26.39	-	137.29
Trade payables	194.77	-	-	194.77
Other financial liabilities#	12.55	2.31	-	14.86
Lease liability	5.60	19.02	-	24.62
	323.82	**47.72**	**-**	**371.54**

Other financial liabilities includes interest accrued but not due of ₹ 1.07 Crores (March 31, 2023 : ₹ 0.56 Crores)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

NOTE 38 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirements.

Notes to the Standalone Financial Statements

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₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Interest-bearing loans and borrowings (Note 13)	103.09	132.06
Less: Cash and Bank Balances (including other bank balance) (Note 7(b) and 7(d))	(4.44)	(1.21)
Net debt	**98.65**	**130.85**
Equity share capital (Note 11)	53.19	53.13
Other equity (Note 12)	2,250.65	2,268.96
Total capital	**2,303.84**	**2,322.09**
Capital and net debt	**2,402.49**	**2,452.94**
Gearing ratio	4.11%	5.33%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements and other ratios. Breaches in meeting the financial covenants would permit the bank to charge penal interest. There have been no breaches in the financial covenants of any long-term borrowing in the current period except for one loan as of March 31, 2024. The Company has obtained letter from the lender before the date of adoption of financial statements for not charging penal interest from the balance sheet date subject to regularisation of the breach by end of March 31, 2025. Accordingly, the management has not created provision for penal interest.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Note 39(a) : Additional Regulatory Disclosures as per Schedule III of the Companies Act, 2013

(i) The Company does not have any benami property held in their name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(iv) Utilisation of borrowed funds and share premium

I. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries except as mentioned below.

(v) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(vi) The Company has no income surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

(vii) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

Note 39(b) : Audit Trail

The Ministry of Corporate Affairs(MCA) has issued a notification(Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, State that every Company which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Further no instance of audit trail feature being tampered with was noted for accounting software used by Company during the year.

NOTE 40 : RATIO ANALYSIS

Sl No	Particulars	Numerator	Denominator	For the year ended 31st March, 2024	For the year ended 31st March, 2023	% Variance	Reason for Variance
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.72	1.50	15%	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	0.04	0.06	-21%	Not Applicable
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Tax, Depreciation and amortisation	Debt Service	0.44	1.10	-60%	Note (a) below
4	Return on Equity Ratio (%)	Net Profit after Tax	Total Equity	-0.49%	0.43%	-216%	Note (b) below
5	Inventory turnover Ratio (In times)	Sale of product	Average Inventories	13.97	21.63	-35%	Note (c) below
6	Trade Receivables turnover Ratio (In times)	Revenue from Operations	Average Trade Receivables	2.59	2.88	-10%	Not Applicable
7	Trade Payables turnover Ratio (In times)	Purchase of Goods	Average Trade Payables	2.23	2.85	-22%	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from Operations	Working Capital	2.71	4.49	-40%	Note (d) below
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from Operations	-1.87%	1.33%	-240%	Note (e) below
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Total Capital Employed	0.45%	1.05%	-58%	Note (f) below
11	Return on investment (%)	Refer (g) below		62.11%	-1.33%	4757%	Note (h) below

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

Notes :

(a) Reduction in Profit available for debt service compared to previous year.

(b) Reduction in Net profit after tax for the year compared to previous year.

(c) Decrease in sales of product and increase in average inventory compared to previous year.

(d) Decrease in revenue from operation and increase in working capital compared to previous year.

(e) Decrease in revenue from operation and reduction in Net profit after tax for the year compared to previous year.

(f) Decrease in Profit before Interest, Exceptional Items and Tax and decrease in Capital employed for the year compared to previous year.

(g) Return on Investment compared to previous year.
(MV(T1)-MV(T0)-Sum[C(t)])
(MV(T0)+Sum[W(t)*C(t)])
Where,
T1 = End of time period
T0 = Begging of time period
t = Specific date falling between T1 and T0
MV(T1) = Market Value at T1
MV(T0) = Market Value at T0
C(t) = Cash inflow, cash outflow on specific date
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as (T1-t)/T1

(h) The impact is due to market dynamics and price movements.

NOTE 41 : CODE OF SOCIAL SECURITY, 2020

The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Company will assess the impact of the Code and will record related impact in the period it becomes effective.

NOTE 42 : EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. The Board of Directors recommended a final dividend of ₹ 1.25 per equity share of face value of ₹ 4 each, for the financial year ended March 31, 2024, subject to the approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the board of directors of
Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Independent Auditor's Report

To The Members of Arvind Fashions Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Arvind Fashions Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	How the key Audit Matter Was Addressed in the Audit
Revenue Recognition: [Assertion- Cut off and Occurrence] and provision for sales return Revenue recognition involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point of time and provision for sales return. Cut-off and Occurrence is the key assertion in so far as revenue recognition is concerned. There is a risk that revenue is recognized on sale of goods around the year end without substantial transfer of control and is not in accordance with Ind AS-115 "Revenue from Contracts with Customers". Additionally, there is risk that revenue recorded at point of sale did not occur and due to this revenue is overstated in the books. Also, Group has contracts with customers which entitles them to right of return. At year end, amount of expected returns that have not yet been settled with the customers are estimated and accrued. Estimating the amount of such accrual at year end is considered a key audit matter due to assumptions and judgments required to be made by management.	**Principal Audit Procedures Performed:** The details of audit procedure performed by us and Component auditors are as follows: • Selected a sample and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • We obtained an understanding of process and evaluated the design and operating effectiveness of key controls over timing of revenue recognition, control over occurrence of revenue and calculating, reviewing and approving sales returns. • Selected samples and performed the following procedures: - Read, analyzed and identified the distinct performance obligations in these contracts and compared these performance obligations with that identified and recorded by the Group. - For the selected samples, tested with the performance obligations specified in the underlying contracts. - Performed analytical procedures for reasonableness of revenues with comparative period. - Analyzed historical trends for returns and held discussions with management to understand changes in provisioning norms/additional provisions made based on management's assessment of market conditions and based on that, we have tested the estimates of returns related accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. • At the year end, we have performed early and late cut off to test that the revenue is recorded in the appropriate period. We have traced sales with proof of delivery (POD) to confirm the recognition of sales. • Performed substantive testing of samples for sales recognition from different stores and understanding the terms of contract with respect to transfer of risk and rewards and verification of collection matching the revenue recognised.
Recoverability of deferred tax assets Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The Component's ability to recover recognised deferred tax asset as well as previously un-recognised deferred tax assets is assessed by the management at the end of each reporting period, taking into account forecasts of future taxable profits and the applicable tax laws.	**Principal Audit Procedures Performed:** Audit procedures performed by us, are as follows: • Assessed the Group accounting policy with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes". • Analyzed the performance of the component and assessed the reasonableness of assumptions used in forecast of future taxable profits, examined the consistency of projections used for assessing DTA and component's expected utilization of the unabsorbed business losses and unabsorbed depreciation, including understanding of management's estimate of business impact based on current market and economic conditions.

Key Audit Matter	How the key Audit Matter Was Addressed in the Audit
The recognition and measurement of deferred tax assets is a key audit matter as its recoverability within the allowed time frame involves estimate of financial projections, availability of sufficient taxable income in the future and judgments in the interpretation of tax regulations and tax positions adopted by the Group.	• Assessed the disclosures in Note 25 (B) of the Consolidated Ind AS financial statements in accordance with the requirements of Ind AS 12 "Income Taxes". As informed to us by respective component auditors, following procedures are performed by them :– • Assessed the accounting policy with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes". • Analyzed the performance of the component and assessed the reasonableness of assumptions used in forecast of future taxable profits, examined the consistency of projections used for assessing DTA and component's expected utilization of the unabsorbed business losses and unabsorbed depreciation, including understanding of management's estimate of business impact based on current market and economic conditions.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the other information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

OTHER MATTERS

(a) We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of ₹ 1,064.63 crores as at March 31, 2024, total revenues of ₹ 1,935.87 crores and net cash outflows amounting to ₹ 29.19 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vii) below.

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

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 26 to the consolidated financial statements;

      ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies.

      iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 41(iv)(I) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 41(iv)(II) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

vi) As stated in note 48 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vii) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary companies incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s) except for as mentioned below . Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with in respect of accounting softwares for the period for which the audit trail feature was operating.

- In case of one subsidiary incorporated in India, no audit (edit log) was enabled for certain software at database level.
- In case of one subsidiary incorporated in India, no audit (edit log) was enabled for certain changes made using privileged/ administrative access rights to the accounting software at database level.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Arvind Fashions Limited	L52399GJ2016PLC085595	Parent	Clause (xvii)
Arvind Youth Brands Private Limited	U52100GJ2020PTC112995	Subsidiary	Clause (xvii)
			Clause (xix)
Value Fashion Retail Limited	U52609DL2020PLC362661	Subsidiary	Clause (xvii)

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 24106189BKFGVI7792)

Place: Ahmedabad
Date: May 21, 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Arvind Fashions Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 3 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 24106189BKFGVI7792)

Place: Ahmedabad
Date: May 21, 2024

Consolidated Balance Sheet

As at March 31, 2024

₹ In Crores

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	124.10	105.04
(b) Capital work-in-progress	5 (a)	1.46	1.80
(c) Right-of-Use Asset	34	625.17	608.04
(d) Goodwill on consolidation	6	111.23	111.23
(e) Intangible assets	6	35.45	40.63
(f) Intangible assets under development	6 (a)	2.48	0.30
(g) Financial assets			
(i) Loans	7 (b)	0.02	0.14
(ii) Other financial assets	7 (e)	56.07	62.16
(h) Deferred tax assets (net)	25	389.23	412.00
(i) Non-Current tax assets (net)	10	59.03	33.63
(j) Other non-current assets	8	15.52	19.99
Total non-current assets		**1,419.76**	**1,394.96**
II. Current assets			
(a) Inventories	9	909.44	981.90
(b) Financial assets			
(i) Trade receivables	7 (a)	646.78	559.51
(ii) Cash and cash equivalents	7 (c)	152.60	177.77
(iii) Bank balances other than (ii) above	7 (d)	15.38	22.54
(iv) Loans	7 (b)	1.15	1.63
(v) Others financial assets	7 (e)	48.43	43.89
(c) Other current assets	8	411.80	489.82
(d) Assets Held for Sale	42	1.63	-
Total current assets		**2,187.21**	**2,277.06**
Total Assets		**3,606.97**	**3,672.02**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	53.19	53.13
(b) Other equity	12	950.10	856.51
Equity attributable to Equity holders of the Parent		**1,003.29**	**909.64**
Non controlling Interest		**189.13**	**182.59**
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	10.58	30.59
(ii) Lease Liabilities	34	536.52	508.86
(iii) Other financial liabilities	13 (c)	131.64	121.95
(b) Long-term provisions	14	15.51	15.18
(c) Other non current liabilities	15	0.80	0.50
Total Non-current Liabilities		**695.05**	**677.08**
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13 (a)	455.51	567.06
(ii) Lease Liabilities	34	145.31	158.52
(iii) Trade payables	13 (b)		
- Total outstanding dues of micro enterprises and small enterprises		60.32	54.75
- Total outstanding dues of creditors other than micro enterprises and small enterprises		875.99	964.75
(iv) Other financial liabilities	13 (c)	51.29	45.77
(b) Other current liabilities	15	84.59	102.19
(c) Currrent tax liabilities		6.20	2.63
(d) Short-term provisions	14	7.45	7.04
(e) Liabilities directly associated with Assets classified as held for sale	42	32.84	-
Total Current Liabilities		**1,719.50**	**1,902.71**
Total Equity and Liabilities		**3,606.97**	**3,672.02**
Material Accounting Policies	3		

The accompanying notes are an integral part of these Consolidated Financial Statements.
As per our report of even date attached

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Crores except per share data)

Particulars	Notes	Period ended March 31, 2024	Period ended March 31, 2023
I. Income			
Revenue from operations			
Sale of Products	16	4,201.41	4,027.19
Sale of Services	16	50.14	37.25
Operating Income	16	7.57	5.05
Revenue from operations		**4,259.12**	**4,069.49**
Other income	17	33.74	50.34
Total Income (I)		**4,292.86**	**4,119.83**
II. Expenses			
Purchases of stock-in-trade	18	2,074.41	2,206.40
Changes in inventories of stock-in-trade	19	(37.31)	(139.71)
Employee benefit expense	20	260.07	243.96
Finance costs	21	144.18	120.97
Depreciation and amortisation expense	22	230.08	203.07
Other expenses	23	1,451.42	1,335.83
Total expenses (II)		**4,122.85**	**3,970.52**
III. Profit/(Loss) before exceptional items and tax (I-II)		170.01	149.31
IV. Exceptional items	24	(6.17)	-
V. Profit/(Loss) before tax (III+IV)		**163.84**	**149.31**
VI. Tax expense	25		
Current tax		50.52	39.68
(Excess)/short provision related to earlier years		-	0.99
Deferred Tax charge / (credit)		6.73	(0.61)
Total tax expense		**57.25**	**40.06**
VII. Profit/(Loss) for the year from Continuing Operations (V-VI)		**106.59**	**109.25**
Discontinuing Operations			
A. Profit/(Loss) before tax for the year from Discontinuing Operations	42	30.73	(22.24)
B. Tax expense/(Credit) on Discontinued Operations		0.21	0.05
VIII. Profit/(Loss) for the year from Discontinuing Operations (A-B)		**30.52**	**(22.29)**
IX. Profit/(Loss) for the year from Continuing and Discontinuing Operations (VII+VIII)		**137.11**	**86.96**
X. Other comprehensive income			
A. Items that will not to be reclassified to profit or loss:			
Re-measurement gains / (losses) on defined benefit plans	30	(2.06)	(2.02)
Income tax effect on above	25	0.66	0.67
Net other comprehensive income/(loss) not to be reclassified to profit or loss (A)		**(1.40)**	**(1.35)**
B. Items that will be reclassified to profit or loss:			
Net gains / (loss) on hedging instruments in a cash flow hedge		(1.30)	0.80
Income tax effect on above		0.33	(0.20)
Net other comprehensive income/(loss) that will be reclassified to profit or loss (B)		**(0.97)**	**0.60**
Total other comprehensive income/(loss) for the year, net of tax (A+B)		(2.37)	(0.76)
XI. Total comprehensive income for the year, net of tax (IX+X)		**134.74**	**86.20**
Profit / (Loss) for the year attributable to:			
Equity holders of the parent		80.64	36.71
Non-controlling interest		56.47	50.25
		137.11	**86.96**
Other Comprehensive Income/(Loss) for the year attributable to:			
Equity holders of the parent		(1.71)	(1.01)
Non-controlling interest		(0.66)	0.25
		(2.37)	**(0.76)**
XII. Total comprehensive income/(loss) attributable to:			
Equity holders of the parent		78.93	35.70
Non-controlling interest		55.81	50.50
		134.74	**86.20**
XIII. Earnings per equity share	32		
Nominal Value per share - ₹ 4 (Previous Year ₹ 4)			
Continuing Operations			
- Basic ₹		3.77	4.45
- Diluted ₹		3.76	4.44
Discontinuing Operations			
- Basic ₹		2.30	(1.68)
- Diluted ₹		2.29	(1.68)
Continuing and Discontinuing Operations			
- Basic ₹		6.07	2.77
- Diluted ₹		6.05	2.76
Material Accounting Policies	3		

The accompanying notes are an integral part of these Consolidated Financial Statements.
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

₹ In Crores

Balance	Note 11
As at March 31, 2022	**52.97**
Add: Issue of fully paid up shares (Refer Note 11.5)	0.01
Add: Shares allotted pursuant to exercise of Employee Stock Option Plan (Refer Note 33)	0.15
As at March 31, 2023	**53.13**
Add: Shares allotted pursuant to exercise of Employee Stock Option Plan (Refer Note 33)	0.06
As at March 31, 2024	**53.19**

B. OTHER EQUITY

₹ In Crores

Particulars	Reserves and Surplus				Items of Other Comprehensive income			Total Other Equity (A)	Non-controlling interest (B)	Total equity
	Share Based Payment Reserve	Securities premium	Retained Earnings	Capital Reserve	Capital Reserve on Consolidation	Cash Flow Hedge Reserve	Net Gain/ (Loss) on FVOCI Equity Instruments			
	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12	Note 12			
Balance as at April 1, 2022	**12.82**	**2,140.53**	**(1,348.91)**	**39.89**	**(237.08)**	**(0.13)**	**90.16**	**697.28**	**100.16**	**797.44**
Profit/ (Loss) for the year	-	-	36.71	-	-	-	-	36.71	50.25	86.96
Other comprehensive income for the year	-	-	(1.31)	-	-	-	-	(1.31)	0.25	(1.06)
Total Comprehensive income for the year	**12.82**	**2,140.53**	**(1,313.51)**	**39.89**	**(237.08)**	**(0.13)**	**90.16**	**732.68**	**150.66**	**883.34**
Share issued during the year	-	5.26	-	-	-	0.60	-	5.86	-	5.86
Share based payment expense	4.97	-	-	-	-	-	-	4.97	-	4.97
Reclassification of Compulsorily Convertible Preference Shares. (Refer Note 13 (c))	-	-	-	-	-	-	-	-	145.23	145.23
Movement between Non-Controling Interest and Equity holders of the parent (Refer Note 13 (c))	-	-	113.30	-	-	-	-	113.30	(113.30)	-
Share of Non Controlling Interest	-	-	-	-	-	(0.30)	-	(0.30)	-	(0.30)
Transfer to securities premium	(1.66)	-	-	-	-	-	-	(1.66)	-	(1.66)
Transfer from share based payment reserve	-	1.66	-	-	-	-	-	1.66	-	1.66
Balance as at March 31, 2023	**16.13**	**2,147.45**	**(1,200.21)**	**39.89**	**(237.08)**	**0.17**	**90.16**	**856.51**	**182.59**	**1,039.10**
Balance as at April 1, 2023	**16.13**	**2,147.45**	**(1,200.21)**	**39.89**	**(237.08)**	**0.17**	**90.16**	**856.51**	**182.59**	**1,039.10**
Profit/ (Loss) for the year	-	-	80.64	-	-	-	-	80.64	56.47	137.11
Other comprehensive income for the year	-	-	(1.24)	-	-	-	-	(1.24)	(0.66)	(1.90)
Total Comprehensive income for the year	**16.13**	**2,147.45**	**(1,120.81)**	**39.89**	**(237.08)**	**0.17**	**90.16**	**935.91**	**238.40**	**1,174.31**
Share issued during the year	-	2.26	-	-	21.47	(0.97)	-	22.76	-	22.76
Share based payment expense	4.22	-	-	-	-	-	-	4.22	-	4.22
Dividend paid for the year	-	-	(13.28)		-	-	-	(13.28)		(13.28)
Dividend paid to Non Controlling Interest by Subsidiary	-	-	-	-	-	-	-	-	(49.27)	(49.27)
Share of Non Controlling Interest	-	-	-	-	-	0.49	-	0.49	-	0.49
Transfer to securities premium	(0.91)	-	-	-	-	-	-	(0.91)	-	(0.91)
Transfer from share based payment reserve	-	0.91	-	-	-	-	-	0.91	-	0.91
Balance as at March 31, 2024	**19.44**	**2,150.62**	**(1,134.09)**	**39.89**	**(215.61)**	**(0.31)**	**90.16**	**950.10**	**189.13**	**1,139.23**

The accompanying notes are an integral part of these Consolidated Financial Statements.
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079
Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

₹ In Crores

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A	**Operating activities**		
	Profit/(Loss) before taxation from		
	Continuing Operations	163.84	149.31
	Discontinued Operations	30.73	(22.24)
	Net Profit/(Loss) for the period from Continuing Operations and Discontinued Operations	**194.57**	**127.07**
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and Amortisation	249.21	238.73
	Interest Income	(16.30)	(15.69)
	Finance Cost	151.92	138.38
	Bad Debt written off	-	18.48
	Profit from Sale of Subsidiary	(107.37)	-
	Allowance of doubtful debts	7.13	0.25
	Provisions of doubtful debts written back	(0.85)	(6.18)
	Provision no longer required	(4.15)	(9.07)
	Other Assets written off / written back	15.48	-
	Allowances for cash losses	-	0.22
	Gain on reassessment of lease and Lease Concessions	(8.24)	(13.59)
	(Profit)/Loss on Sale of Property, Plant & Equipment (Net)	3.58	2.89
	Share based payment expense	4.15	4.98
	Provision for Non-moving Inventory and Returnable assets	11.13	(30.39)
	Income from Sale of Mutual Funds	(0.38)	-
	Fair value (gain)/ loss on financial instruments recycled from OCI (net)	0.06	-
	Operating Profit before Working Capital Changes	**499.94**	**456.08**
	Adjustment for Changes in Working Capital :		
	(Increase) / Decrease in Inventories	69.59	(115.71)
	(Increase) / Decrease in Trade receivables	(93.54)	(6.77)
	(Increase) / Decrease in Other assets	88.38	(66.79)
	(Increase) / Decrease in Other financial assets	(15.26)	86.78
	Increase / (Decrease) in Trade payables	(58.68)	(33.37)
	Increase / (Decrease) in Other liabilities	(17.30)	31.13
	Increase / (Decrease) in Other financial liabilities	20.90	12.73
	Increase / (Decrease) in Provisions	2.81	(3.52)
	Net Changes in Working Capital	**(3.10)**	**(95.52)**
	Cash Generated from Operations	**496.84**	**360.56**
	Direct Taxes paid (Net of Income Tax refund)	(62.66)	(43.29)
	Net Cash flow from Operating Activities (A)	**434.18**	**317.27**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant & Equipment and Intangible assets	(82.27)	(38.00)
	Proceeds from Sales of Subsidiary	94.54	-
	Proceeds from disposal of Property, Plant & Equipment	2.15	1.96
	Changes in other bank balances not considered as cash and cash equivalents	7.22	(4.25)
	Purchase of Mutual Funds	(70.00)	-
	Proceeds from Sale of Mutual Funds	70.38	-
	Loan (given)/received back (net)	0.60	3.33
	Interest Received	9.25	8.47
	Net cash flow (used in) / from Investing Activities (B)	**31.87**	**(28.49)**
C	**Cash Flow from Financing Activities**		
	Proceeds from issue of share capital	2.33	5.42
	Repayment of long term borrowings	(41.00)	(41.12)
	Proceeds / (Repayment) of short term borrowings (net)	(90.56)	137.04
	Repayment towards lease liabilities	(221.57)	(212.89)
	Dividend Paid to Equity holders of the Parent	(13.28)	-
	Dividend Paid to Non Controlling Interest	(49.28)	-
	Finance Cost Paid	(77.86)	(86.12)
	Payment for Unpaid Fractional Shares	-	(0.01)
	Net Cash flow (used in) Financing Activities (C)	**(491.22)**	**(197.68)**
	Net Increase/(Decrease) in cash & cash equivalents (A) +(B)+(C)	**(25.17)**	**91.10**
	Cash & Cash equivalent at the beginning of the year	177.77	86.67
	Cash & Cash equivalent at the end of the year	152.60	177.77

Figures in brackets indicate outflows.

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

RECONCILIATION OF CASH & CASH EQUIVALENTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cash and cash equivalents comprise of:		
Cash on Hand	0.97	0.17
Balances with Banks	151.63	177.60
Cash and cash equivalents as per Balance Sheet (Note 7c)	**152.60**	**177.77**

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2023	Net cash flows	Non Cash Changes		As at March 31, 2024
				Effect of change in Foreign Currency Rates	Other Changes*	
As at March 31, 2024						
Borrowings:						
Long term borrowings	13 (a)	30.59	(20.01)	-	-	10.58
Short term borrowings	13 (a)	567.06	(111.55)	-	-	455.51
Lease Liability	34	667.38	(221.57)	236.02	-	681.83
Interest accrued on borrowings	13 (c)	8.05	(8.05)	-	12.46	12.46
Total		**1,273.08**	**(361.18)**	**236.02**	**12.46**	**1,160.38**

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2022	Net cash flows	Non Cash Changes		As at March 31, 2023
				Effect of change in Foreign Currency Rates	Other Changes*	
As at March 31, 2023						
Borrowings:						
Long term borrowings	13 (a)	71.71	(41.12)	-	-	30.59
Short term borrowings	13 (a)	430.02	137.04	-	-	567.06
Lease Liability	34	456.12	(212.89)	424.15	-	667.38
Interest accrued on borrowings	13 (c)	11.62	(11.62)	-	8.05	8.05
Total		**969.47**	**(128.59)**	**424.15**	**8.05**	**1,273.08**

* The same relates to amount charged in statement of profit and loss accounts.

Note:
1) The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) "Statement of cash flows".
2) Purchase of property plant and equipment/Intangible Assets include movement of Capital work-in-progress during the year.

As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 21, 2024

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329
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Chief Financial Officer
Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru
Date: May 21, 2024

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

1. CORPORATE INFORMATION

Arvind Fashions Limited ("the Company" or "the Parent Company") is a public limited company incorporated in India under the provisions of the Companies Act, 2013 and has its registered office at Arvind Limited Premises, Naroda Road, Ahmedabad – 380025 having CIN L52399GJ2016PLC085595. The Company has its primary listings on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited ("the Stock Exchanges").

Arvind Fashions Limited together with its consolidated Subsidiaries is herein referred to as "the Group".

The Group is operating in branded apparels, beauty and accessories. The Group is having a portfolio of owned and licensed international brands including US Polo, Arrow, Flying Machine, Tommy Hilfiger, Calvin Klein and others.

The Group has diversified business by brands (power, emerging and specialty retail), gender (menswear, womenswear and kidswear), categories (denims, topwear, trousers, innerwear, footwear, beauty etc.) and sales channels (retail, distribution, departmental stores and online).

The Group's Consolidated Financial Statements have been approved by Board of Directors in the meeting held on May 21, 2024.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

2.1 Basis of Preparation and Presentation and Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention except certain assets and liabilities, which have been measured at fair value as required by the relevant Ind AS.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2024 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to Consolidated Financial Statement.

2.2 Historical Cost Convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Derivative financial instruments measured at fair value;
- Share based payments;
- Defined benefit plans – plan assets measured at fair value;

2.3 Rounding off

The Consolidated Financials Statement are prepared in Indian Rupees (INR) and all the values are rounded to nearest crores as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹50,000

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

which are required to be shown separately, have been shown in actual brackets.

2.4 Principles of Consolidation of Subsidiaries

The Group consolidates entities which it owns or controls. The Consolidated Financial Statement comprise the financial statements of the Group and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses including unrealized gain / loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount at which the non- controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Group.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Group in preparing its Consolidated Financial Statements consistently to all the periods presented:

3.1 Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. For the purpose of current/non-current classification of assets, the Group has ascertained its normal operating cycle as twelve months.

3.2 Non-Current Assets classified as held for sale

The Group classifies non-current assets as held for sale if their carrying amounts are recoverable principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

Discontinued operation

A discontinued operation is a business of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

3.3 Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.4 Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Group after assessing fair value of all identified assets and liabilities, record the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interest method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

3.5 Foreign currencies

The Group's financial statements are presented in INR, which is also the Group's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates

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For The Year Ended March 31, 2024

of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

3.6 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for following assets category as shown in Table below.

A sset	Estimated Useful Life
Buildings	30 Years
Plant & Machinery	6 to 15 Years
Office Equipment	6 to 8 Years
Furniture & Fixture	6 to 9 Years
Motor Cars	4 Years
Computers, Servers and Network	3 Years

However, Leasehold Improvements have been depreciated considering the lease term or useful life whichever is lower.

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013. Any change in useful life are being applied prospectively in accordance with Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors".

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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3.7 Leases

The Group's lease asset classes primarily consist of leases for buildings. The group assesses whether a contract 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: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes 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 low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. 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.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.8 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

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The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets under development comprises cost of development cost and other operating cost incurred during development phase and ready for their intended use at the balance sheet date.

Amortisation

Job Workers' Network Value, Vendors' Network Value and Distribution Network Value have been amortized on Straight Line basis over the period of 5 years.

Value of License Brands/License fees acquired under demerger scheme has been amortized on Straight Line basis over the period of 10 years (in Calvin Klein Arvind Fashion Private Limited – the value of License Brands/License Fees has been amortised over the remaining term of license period or 15 years whichever is less).

Technical Process Development has been amortized on Straight Line basis over the period of 6 years and Product Development has been amortized on Straight Line basis over the period of 3-5 years.

Software and Website are depreciated over management estimate of its useful life of 5 years (over a term of 3-5 years in Tommy Hilfiger Arvind Fashion Private Limited).

3.9 Inventories

Trims and Accessories, Stock-in-trade and Packing Materials are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Trims and Accessories: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Stock in Trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable 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.

3.10 Impairment

Assessment for impairment is done at each Balance Sheet date as to whether there is

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any indication that a non-financial asset may be impaired. Assets that are subject to depreciation and amortisation and assets representing investments in subsidiary are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognised in the Statement of Profit and Loss and included in depreciation and amortisation expense. Impairment losses, on assets other than goodwill are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

3.11 Revenue Recognition

The Group derives revenues primarily from sale of traded goods and related services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements except for the agency services because it typically controls the goods before transferring them to the customer and sales under sale or return basis arrangements.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return and discounts. The rights of return and discounts give rise to variable consideration.

i. Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refundable liability. A right of return asset (and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

ii. Discounts

Discounts are offset against amounts payable by the customer. To estimate the variable consideration for the expected future discounts, the Group applies the expected value method. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

b) Assets and liabilities arising from returns

i. Returnable Asset

Returnable asset represents the Group's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decrease in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

ii. Refundable liabilities

A refundable liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refundable liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

c) Sale of goods – customer loyalty programme (deferred revenue)

The Group operates a loyalty point programme which allows customers to accumulate points when they purchase the products. The points can be redeemed for free products, subject to a minimum number of points being obtained. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

d) Rendering of services

Revenue from store displays and sponsorships are recognised based on the period for which the products or the sponsors' advertisements are promoted/ displayed. Facility management fees are recognised pro-rata over the period of the contract.

Revenue from other services are recognised based on the services rendered in accordance with the terms of contacts on the basis of work performed.

e) Gift Vouchers

The amount collected on sale of a gift voucher is recognized as a liability and transferred to revenue (sales) when redeemed or to revenue (sale of services) on expiry

f) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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Interest income is included in other income in the statement of profit or loss.

g) Profit or loss on sale of Investments

Profit or Loss on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

3.12 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments

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of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

- Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

b) Equity instruments:

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-

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through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(iv) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(v) Impairment of financial assets

a) Financial Assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 109 and Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 109 and Ind AS 115, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 109 and Ind AS 115 that contain a significant financing component, if the Group applies practical expedient to ignore separation of time value of money, and
- Right Of Use Assets resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance

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based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and ROU Assets: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives

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designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

- Loans and Borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying

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amounts is recognised in the statement of profit or loss.

c) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted

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For the year ended March 31, 2024

for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.14 Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.15 Employee Benefit

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme and post-retirement medical benefit schemes are Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

c) Other long term employment benefits:

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

d) Termination Benefits :

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.16 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.17 Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

approval of the financial statements by the Board of Directors.

3.18 Dividend

The Company recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

3.19 Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but disclosed in the Consolidated Financial Statements when an inflow of economic benefits is probable.

3.20 Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts are recoverable principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

Notes to the Consolidated Financial Statements

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- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in Consolidated Statement of Profit and Loss.

3.21 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.22 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

3.23 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the notes to accounts.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgements, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. Actual results may differ from these estimates. The estimates and

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

underlying assumptions are reviewed on an on-going basis. Revisions 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 the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amount recognised in the financial statements and / or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.1 Revenue recognition

The Group assesses its revenue arrangement in order to determine if its business partner is acting as a principle or as an agent by analysing whether the Group has primary obligation for pricing latitude and exposure to credit / inventory risk associated with the sale of goods. The Group has concluded that certain arrangements are on principal to agent basis where its business partner is acting as an agent. Hence, sale of goods to its business partner is recognised once they are sold to the end customer.

4.2 Customer loyalty program reward points

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

4.3 Provision for discount and sales return

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

b) At each balance sheet date, group estimates the adequacy of provision for discounts to be given to its customers on the sales made by the Company on the basis of historical trend, past experience and discount policies.

4.4 Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 30.

4.5 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

4.6 Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

4.7 Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be measured at the time of grant. The expenses recognised for share-based payment transactions are disclosed in Note 33.

4.8 Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Group has determined that it can recognise deferred tax assets on the tax credits carried forward and unused losses carried forward. Further details on taxes are disclosed in Note 25.

4.9 Inventories

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

4.10 Useful lives of Property, Plant and Equipment and Intangible assets

The Group reviews the estimated useful lives of property, plant and equipment and

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

intangible assets at the end of each reporting period. During financial years ended March 31, 2024, there were no changes in useful lives of property plant and equipment and intangible assets other than (a) useful lives of leasehold improvements which have been considered lower of the lease term or useful life and (b) those resulting from store closures / shifting of premises.

4.11 Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group.

Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 14 and 26).

4.12 Control Over Subsidiaries

The Company evaluates its control over the entities where it holds significant voting rights and considers them as Subsidiaries where it exercises control (Refer note 43).

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

NOTE 5 : PROPERTY, PLANT AND EQUIPMENT

₹ In Crores

Particulars	Buildings	Plant & machinery	Furniture & fixture	Vehicles	Leasehold improve-ments	Office equipment	Computers, Servers and Network	Total
Gross Carrying Value								
As at April 1, 2022	**6.94**	**29.59**	**146.09**	**4.55**	**174.11**	**16.84**	**26.60**	**404.72**
Additions	-	2.76	17.62	1.32	22.73	1.88	6.81	53.12
Deductions	-	2.08	6.03	1.52	20.69	2.61	0.75	33.68
As at March 31, 2023	**6.94**	**30.27**	**157.69**	**4.35**	**176.15**	**16.10**	**32.65**	**424.16**
Additions	-	3.96	29.49	0.08	34.96	2.98	7.51	78.98
Deductions due to Discontinued Operation (Refer Note 42)	-	6.65	34.27	-	28.33	5.77	1.13	76.15
Deductions	-	2.29	4.25	1.12	13.91	0.61	0.69	22.87
As at March 31, 2024	**6.94**	**25.29**	**148.66**	**3.31**	**168.87**	**12.70**	**38.34**	**404.12**
Accumulated Depreciation								
As at April 1, 2022	**0.68**	**24.29**	**106.89**	**2.54**	**127.24**	**13.36**	**16.42**	**291.42**
Depreciation for the year	0.22	1.95	15.11	0.86	21.66	1.31	6.09	47.20
Depreciation for Discontinued Operation (Refer Note 42)	-	1.16	3.99	-	3.51	0.49	0.25	9.40
Deductions	-	1.62	4.39	1.39	18.56	2.24	0.70	28.90
As at March 31, 2023	**0.90**	**25.78**	**121.60**	**2.01**	**133.85**	**12.92**	**22.06**	**319.12**
Depreciation for the year	0.22	2.03	12.54	0.68	17.88	0.98	5.31	39.64
Depreciation for Discontinued Operation (Refer Note 42)	-	0.22	1.96	-	0.59	0.16	0.10	3.03
Deductions	-	1.89	3.41	0.70	11.13	0.50	0.66	18.29
Deductions due to Discontinued Operation (Refer Note 42)	-	5.64	27.70	-	24.51	4.72	0.91	63.48
As at March 31, 2024	**1.12**	**20.50**	**104.99**	**1.99**	**116.68**	**8.84**	**25.90**	**280.02**
Net Carrying Value								
As at March 31, 2024	**5.82**	**4.80**	**43.67**	**1.32**	**52.19**	**3.86**	**12.44**	**124.10**
As at March 31, 2023	**6.04**	**4.49**	**36.09**	**2.34**	**42.30**	**3.19**	**10.59**	**105.04**

Notes:

1) No Borrowing costs are capitalised on property plant and equipment during the year.
2) For Properties pledge as security Refer Note 13(a).
3) Refer Note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 5 (a) : Capital work-in-progress ageing schedule:

As at March 31, 2024

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.46	-	-	-	1.46
Total	**1.46**	**-**	**-**	**-**	**1.46**

As at March 31, 2023

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.80	-	-	-	1.80
Total	**1.80**	**-**	**-**	**-**	**1.80**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 6 : INTANGIBLE ASSETS

₹ In Crores

Particulars	Computer Software	Brand Value & License Brands	Technical Process develo-pment	Product Develo-pment	Trademark License Fee	Website	Total Intangible Assets	Goodwill on Consoli-dation
Gross Carrying Value								
As at April 1, 2022	**45.67**	**20.75**	**32.21**	**9.58**	**36.89**	**2.46**	**147.56**	**111.23**
Additions	5.74	-	2.32	-	-	-	8.06	-
Deductions	-	-	-	-	-	-	-	-
As at March 31, 2023	**51.41**	**20.75**	**34.53**	**9.58**	**36.89**	**2.46**	**155.62**	**111.23**
Additions	7.10	-	3.47	-	-	-	10.57	-
Deductions	0.06	-	0.04	-	-	-	0.10	-
Deductions due to Discontinued Brand (Refer Note 42)	0.93	3.23	-	-	-	-	4.16	
As at March 31, 2024	**57.52**	**17.52**	**37.96**	**9.58**	**36.89**	**2.46**	**161.93**	**111.23**
Amortisation								
As at April 1, 2022	**21.99**	**20.75**	**28.50**	**4.82**	**20.14**	**2.46**	**98.66**	**-**
Amortisation for the Year	10.45	-	1.36	1.44	3.08	-	16.33	-
Deductions							-	-
As at March 31, 2023	**32.44**	**20.75**	**29.86**	**6.26**	**23.22**	**2.46**	**114.99**	**-**
Amortisation for the Year	9.73	-	1.76	1.04	3.09	-	15.62	-
Deductions	0.01	-	-	-	-	-	0.01	-
Deductions due to Discontinued Brand (Refer Note 42)	0.87	3.23	-	-	-	-	4.10	-
As at March 31, 2024	**41.29**	**17.52**	**31.62**	**7.30**	**26.30**	**2.46**	**126.49**	**-**
Net Carrying Value								
As at March 31, 2024	**16.24**	**-**	**6.34**	**2.28**	**10.59**	**-**	**35.45**	**111.23**
As at March 31, 2023	**18.97**	**-**	**4.67**	**3.32**	**13.67**	**-**	**40.63**	**111.23**

Notes:

1) On March 23, 2018, one of the Group Company has entered into an addendum to the license agreements dated December 1, 2015 and March 19, 2014 with Calvin Klein Inc., to add certain product categories to licensed products for a consideration of ₹ 7.14 Crores (equivalent to USD 1.1 Million), which has been capitalised as an intangible asset, in accordance with Ind AS 38, "Intangible Assets".

   During the current year, that company has renewed the license till December 31, 2028. Also, the same can be renewed for a further period of 5 years without any additional consideration, subject to compliance with certain terms and conditions under the aforesaid agreement. Management has determined that it is virtually certain that the Company would renew the license agreement for a further period of 5 years. Accordingly, the Company is amortising the trademark license rights over the term of the license agreement (including renewal period) till December 31, 2033.

2) On September 7, 2011, one of the Group Company has entered into a License Agreement with Tommy Hilfiger Europe BV and obtained an exclusive and assignable license to use the Trademark Tommy Hilfiger, in connection with the manufacture, import, distribution, promotion, advertising and sale of Tommy Hilfiger products in India for a consideration of ₹ 37.80 Crores (equivalent to USD 7.5 Million), which has been capitalised as an intangible asset, in accordance with Ind AS 38, "Intangible Assets". The ownership of aforesaid Trademark rests with Tommy Hilfiger Europe BV.

3) Product Developments, Software and Intangible Assets under development includes development cost being internally generated intangible assets.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Note 6(a) : Intangible assets under development ageing schedule:

As at March 31, 2024

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.18	0.30	-	-	2.48
Total	**2.18**	**0.30**	**-**	**-**	**2.48**

As at March 31, 2023

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.30				0.30
Total	**0.30**	**-**	**-**	**-**	**0.30**

7 (a) Trade receivables - Current

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	1,088.07	983.48
Credit Impaired	61.37	62.85
Less : Allowance for doubtful debts	(61.37)	(62.85)
	1,088.07	**983.48**
Less: Refundable Liability - (Refer Note 3 below)	(441.29)	(423.97)
Total Trade receivables	**646.78**	**559.51**

Notes:

1) No trade receivables are due from directors or other officers of the Group either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.
2) Trade receivables are given as security for borrowings as disclosed under Note 13(a).
3) Refundable Liability are recognised pursuant to Ind AS 115 - Revenue from Contracts with Customers.

Allowance for doubtful debts

The Group has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	62.85	52.14
Add : Allowance for the year (Refer Note 23)	1.77	18.48
Less : Utilised during the year	(2.40)	(1.59)
Less : Provision for doubtful debts written back (Refer Note 17)	(0.85)	(6.18)
Balance at the end of the year	**61.37**	**62.85**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Trade Receivables Ageing Schedule:

As at March 31, 2024

₹ In Crores

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	710.20	373.35	2.89	1.28	0.35	-	**1,088.07**
Undisputed Trade receivables - Credit impaired	-	1.59	6.24	30.63	2.31	11.48	**52.25**
Disputed Trade receivables - Credit impaired	-	-	-	0.82	0.78	7.52	**9.12**
Gross Trade Receivables	**710.20**	**374.94**	**9.13**	**32.73**	**3.44**	**19.00**	**1,149.44**
Less: Allowance for doubtful debts							**(61.37)**
Less: Refundable Liability							**(441.29)**
Net Trade Receivables							**646.78**

As at March 31, 2023

₹ In Crores

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	623.50	337.51	24.52	0.81	0.33	-	**986.67**
Undisputed Trade receivables - Credit impaired	-	-	30.89	5.79	3.93	7.52	**48.13**
Disputed Trade receivables - Credit impaired	-	-	0.12	0.76	6.09	4.56	**11.53**
Gross Trade Receivables	**623.50**	**337.51**	**55.53**	**7.36**	**10.35**	**12.08**	**1,046.33**
Less: Allowance for doubtful debts							**(62.85)**
Less: Refundable Liability							**(423.97)**
Net Trade Receivables							**559.51**

7 (b) Loans

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Non-current		
Loans to employees	0.02	0.14
	0.02	**0.14**
Current	1.15	1.63
Loans to employees	**1.15**	**1.63**
Total Loans	**1.17**	**1.77**

Notes: 1) No loans are due from directors or promotors of the Group either severally or jointly with any person.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

7 (c) Cash and cash equivalent

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.97	0.17
Balances with Bank		
In Current accounts and debit balance in cash credit accounts	19.63	29.10
In Fixed Deposits - with maturity of less than 3 months #	132.00	148.50
Total cash and cash equivalents	**152.60**	**177.77**

- Deposits with banks earn interest at fixed bank deposit rates. Short-term deposits are made for a period of 90 days (previous year 91 days) depending on the immediate cash requirement of the Group, and earn interest at the respective short-term deposit rates.

7 (d) Other bank balance

Particulars	As at March 31, 2024	As at March 31, 2023
In Deposit Account		
Held as Margin Money*	13.75	20.20
Deposits with original maturity of more than three months but less than 12 months	0.55	1.30
Unpaid Fractional Shares and Rights Issue (Refer note 13(c))	1.04	1.04
Unpaid Dividend account (Refer note 13(c))	0.04	-
Total other bank balances	**15.38**	**22.54**

* Under lien with bank as Security for Guarantee Facility given by the bankers.

7 (e) Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise specified)		
Non-current		
Security deposits	55.50	59.69
Doubtful	-	0.62
Less: Allowance for Doubtful Deposits	-	(0.62)
	55.50	**59.69**
Bank deposits with maturity of more than 12 months	0.57	2.47
	56.07	**62.16**
Current		
Security deposits- Current	31.61	27.64
Security deposits - considered doubtful	2.16	2.16
Less: Allowance for doubtful deposits	(2.16)	(2.16)
	31.61	**27.64**
Income receivable	-	2.25
Accrued Interest	1.79	1.67
Insurance claim receivable	0.25	0.34
Foreign Exchange Forward contracts (Cash flow hedge)	-	0.84
Other Receivables		
- Considered Good	14.78	11.15
- Considered Doubtful	0.17	0.60
Less : Allowance for Doubtful receivables	(0.17)	(0.60)
	48.43	**43.89**
Total other financial assets	**104.50**	**106.05**

Notes: Other current financial assets are given as security for borrowings as disclosed under Note 13(a).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Allowance for doubtful deposits

Movement in allowance for doubtful advances :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.78	2.63
Add : Allowance for the year (Refer note 23)	-	0.15
Less : Amount realised during the year	(0.62)	-
Balance at the end of the year	**2.16**	**2.78**

Allowance for Doubtful Other Receivables

Movement in allowance for doubtful Other Receivables :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.60	0.27
Add : Allowance for the year (Refer note 23)	0.06	0.33
Less : Write off during the year	(0.27)	-
Less : Amount realised during the year	(0.22)	-
Balance at the end of the year	**0.17**	**0.60**

7 (f) Financial assets by category

₹ In Crores

Particulars	FVTPL	FVOCI	Amortised Cost
March 31, 2024			
Trade Receivables	-	-	646.78
Loans	-	-	1.17
Cash & Bank balance	-	-	167.98
Other financial assets	-	-	104.50
Total Financial assets	**-**	**-**	**920.43**
March 31, 2023			
Trade Receivables	-	-	559.51
Loans	-	-	1.77
Cash & Bank balance	-	-	200.31
Foreign Exchange Forward contracts (Cash flow hedge)	-	0.84	-
Other financial assets	-	-	106.05
Total Financial Assets	**-**	**0.84**	**867.64**

Notes :

1. Financial instruments risk management objectives and policies, refer Note 38.
   Fair value disclosure for financial assets and liabilities, refer note 36 and for fair value hierarchy disclosures refer note 37.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

NOTE 8: OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Non-current		
Capital advances	1.23	0.70
Doubtful Capital Advances	-	0.33
Less : Provision for doubtful Capital advances	-	(0.33)
	1.23	**0.70**
GST/Sales tax / VAT / service tax receivable (net)	2.33	2.56
Doubtful Balance with GST/Sales tax/VAT/Service tax receivable	0.15	0.15
Less: Provision for Doubtful Balance with GST/Sales tax/VAT/Service tax receivable	(0.15)	(0.15)
	2.33	**2.56**
Advances to vendors		
Doubtful Advances to vendors	0.10	0.59
Less: Provision for Doubtful Advances to vendors	(0.10)	(0.59)
	-	**-**
Other Advances	-	0.08
Sales tax paid under protest	11.46	16.06
Prepaid expenses-non current	0.50	0.59
	15.52	**19.99**
Current		
Advance to suppliers		
Considered good	16.67	46.65
Considered doubtful	1.54	2.20
Less : Provision for doubtful advances	(1.54)	(2.20)
	16.67	**46.65**
Balance with Government Authorities (Refer Note 1 below)	172.19	210.68
Export incentive receivable	0.48	0.73
Returnable Asset (Refer Note 3 below)	158.93	148.97
Prepaid expenses	12.89	9.26
Advance to employee	1.12	0.59
Other Current Assets (Refer Note 5 below)	49.52	72.94
	411.80	**489.82**
Total	**427.32**	**509.81**

Notes :

1. Balance with Government Authorities mainly consist of input credit availed.
2. Other current assets are given as security for borrowings as disclosed under Note 13(a).
3. Returnable Asset are recognised pursuant to Ind AS 115 - Revenue from Contracts with Customers.
   Returnable Assets are accounted, considering the nature of inventory expected to be received, ageing and net realisable value and ₹ 20.38 Crores (March 31, 2023 ₹ 28.31 Crores) has been provided. The changes in write downs are recognised as an expense in the Statement of Profit and loss.
4. No advances are due from directors or promoters of the Group either severally or jointly with any person.
5. Other current assets includes Goods and Service Tax paid on primary sales / stock transfer of traded goods amounting ₹ 49.45 Crores (March 31, 2023 ₹ 70.15 crores) on "Sale or Return basis" and tax on refund liability component. Balance outstanding as at year end will be adjusted against secondary sale of traded goods and actual credit note issued for sales returns.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Provision for Doubtful Advances

Movement in provision for doubtful advances:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.79	2.11
Add: Provision Made during the year (Refer Note 23)	-	0.68
Less : Write off of doubtful advances	(1.15)	-
Balance at the end of the year	**1.64**	**2.79**

Provision for doubtful Capital advances

Movement in Provision for doubtful Capital advances :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.33	0.33
Less : Write off of doubtful advances	(0.33)	-
Balance at the end of the year	**-**	**0.33**

NOTE 9 : INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Garments and Accessories	909.44	981.90
Total	**909.44**	**981.90**

Notes :

1) Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 133.60 Crores (March 31, 2023 ₹ 129.66 Crores). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.
2) Inventories are given as security for borrowings as disclosed under Note 13(a).

NOTE 10 : NON - CURRENT TAX ASSETS (NET)

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Tax Paid in Advance (Net of Provision)	59.03	33.63
Total	**59.03**	**33.63**

NOTE 11 : EQUITY SHARE CAPITAL

₹ In Crores

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ In Crores	No. of shares	₹ In Crores
Authorised share capital				
Equity shares of ₹4 each (March 31, 2023: ₹ 4 each)	18,75,00,000	75.00	18,75,00,000	75.00
Issued and subscribed share capital				
Equity shares of ₹4 each (March 31, 2023: ₹ 4 each)	13,28,25,660	53.13	13,28,25,660	53.13
Subscribed and fully paid up				
Equity shares of ₹4 each (March 31, 2023: ₹ 4 each)	13,29,59,771	53.18	13,28,00,971	53.12
Subscribed and Partly paid up				
Equity shares of ₹ 2 each (March 31, 2023: ₹ 2 each)	24,689	(₹49,378/-)	24,689	(₹49,378/-)
Total	**13,29,84,460**	**53.19**	**13,28,25,660**	**53.13**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

11.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ In Crores	No. of shares	₹ In Crores
Outstanding at the beginning of the period	13,28,25,660	53.13	13,24,61,813	52.97
Add: Amt received towards partly paid shares(Refer Note 11.6 below)	-	-	-	0.01
Add: Issue of fully paid up shares (Refer Note 11.5 below)	-	-	-	-
Add: Shares allotted pursuant to exercise of Employee	1,58,800.00	0.06	3,63,847.00	0.15
Stock Option Plan (Refer Note 33)	-	-		
Outstanding at the end of the year	**13,29,84,460**	**53.19**	**13,28,25,660**	**53.13**

11.2. Rights, Preferences and Restrictions attached to the equity shares:

The Parent Company has one class of shares referred to as equity shares having a par value of ₹ 4 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets after distribution of all preferential amounts, in proportion to their shareholding.

11.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of share holding	No. of shares	% of share holding
Aura Securities Private Limited	4,36,18,605	32.80%	4,36,18,605	32.84%
ICICI Prudential Mutual fund - Through its various mutual fund schemes	74,40,594	5.60%	1,00,23,233	7.55%
Plenty Private Equity Fund I Limited	75,10,649	5.65%	75,10,649	5.65%
Akash Bhanshali	57,26,644	4.31%	73,17,553	5.51%

11.4. Shareholding of Promoters

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	No. of shares
Aura Securities Private Limited	4,36,18,605	32.80%	0.00%	4,36,18,605	32.84%	0.00%
Aura Merchandise Private Limited	18,30,701	1.38%	0.00%	18,30,701	1.38%	0.00%
Atul Limited	15,96,105	1.20%	0.00%	15,96,105	1.20%	0.00%
Aura Business Ventures LLP	10,36,706	0.78%	0.00%	10,36,706	0.78%	0.00%
Aagam Holdings Private Limited	7,25,553	0.55%	0.00%	7,25,553	0.55%	0.00%
Anusandhan Investments Limited	44,470	0.03%	0.00%	44,470	0.03%	0.00%
Aayojan Resources Private Limited	35,190	0.03%	0.00%	35,190	0.03%	0.00%
Adhinami Investment Private Limited	7,153	0.01%	0.00%	7,153	0.01%	0.00%
Swati S Lalbhai	3,754	0.00%	0.00%	3,754	0.00%	0.00%
Sunil Siddharth Lalbhai	2,101	0.00%	0.00%	2,101	0.00%	0.00%
Taral S Lalbhai	1,573	0.00%	0.00%	1,573	0.00%	0.00%
Punit Sanjaybhai	1,544	0.00%	0.00%	1,544	0.00%	0.00%
Swati Siddharth Lalbhai (trustee of Siddharth Family Trust)	1,399	0.00%	0.00%	-	0.00%	0.00%
Sanjaybhai Shrenikbhai Lalbhai (as representative trustee of discretionary trust)	565	0.00%	0.00%	-	0.00%	0.00%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	No. of shares
Astha Lalbhai	385	0.00%	0.00%	385	0.00%	0.00%
Vimla S Lalbhai	194	0.00%	-87.82%	1,593	0.00%	0.00%
Jayshreeben Sanjaybhai Lalbhai	152	0.00%	0.00%	152	0.00%	0.00%
Sanjaybhai Shrenikbhai Lalbhai	76	0.00%	-88.14%	641	0.00%	0.00%
Akshita Holdings Private Limited	51	0.00%	0.00%	51	0.00%	0.00%
Aura Business Enterprise Private Limited	38	0.00%	0.00%	38	0.00%	0.00%
Aura Securities Private Limited	38	0.00%	0.00%	38	0.00%	0.00%
Kalpanaben Shripalbhai Morakhia	3	0.00%	0.00%	3	0.00%	0.00%
Sunil Siddharth HUF	3	0.00%	0.00%	3	0.00%	0.00%
Hansa Niranjanbhai	-	0.00%	-100.00%	2,279	0.00%	0.00%
Total	**4,89,06,359**	**36.78%**		**4,89,08,638**	**36.82%**	

11.5. Issue of Equity Shares on preferential basis

On 21st August 2021, the Board of Directors approved issuance of equity shares on a preferential basis to various investors. The Parent Company received the approval of shareholders in the extra ordinary general meeting held on 16th September 2021. The Board of Directors approved allotment of 1,83,06,624 fully paid equity shares to various investors at ₹ 218.50 per equity share (of which ₹ 4/- is towards face value and ₹ 214.50 towards premium) on receipt of consideration. There has been no deviation in the use of proceeds of the Preferential Issue, from the Objects stated in the Offer Letter.

11.6. Issue of Shares under Right Issue

On June 21, 2020, the Board of Directors of the Parent Company had approved the revised size of Rights Issue of 3,99,79,347 shares of face value of ₹ 4 each (the "Rights Issue Shares") at a price of ₹ 100 per Rights Equity Shares (including premium of ₹ 96 per Rights Equity Share) in the ratio of 62:91, i.e. 62 Rights Equity Shares for every 91 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. March 18, 2020. On July 24, 2020, the Parent Company has approved the allotment of 3,99,79,347 equity shares of face value ₹ 4/- each to the eligible equity shareholders as fully paid up.

On February 03, 2021, the Board of Directors of the Parent Company and subsequently on February 18, 2021, the Committee of Directors had approved the Rights Issue of 1,48,02,856 equity shares of face value of ₹ 4 each (the "Rights Issue Shares") at a price of ₹ 135 per Rights Equity Shares (including premium of ₹ 131 per Rights Equity Share) in the ratio of 3:20, i.e. 3 Rights Equity Shares for every 20 existing Equity Shares held by the eligible equity shareholders on the record date, i.e. February 24, 2021. On March 25, 2021, the Company has approved the allotment of 1,48,01,776 equity shares of face value ₹ 4/- each to the eligible equity shareholders as partly paid up for an amount of ₹ 70/- per Rights Issue Share received on application (of which ₹ 2/- was towards face value and ₹ 68/- towards premium). The allotment of 1,080 Rights Equity Shares has been kept in abeyance pending regulatory/other clearance. The third reminder to pay first and final call of ₹ 65/- was made in the month of August 2022 and the company has received ₹ 17,01,440/- against 26,176 equity shares (of which ₹ 2/- was towards face value and ₹ 63/- towards premium). As on date the First and Final call payment for 24,689 shares amounting to ₹0.16 Crores is yet to be received.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

11.7. Shares allotted as fully paid up without payment being received in cash during the period of five years immediately preceding the reporting date:

1) The Parent Company has allotted 5,17,23,414 Equity Shares pursuant to the scheme of arrangement during the year 2018-19.

11.8. Shares reserved for issue under options and contracts:

Refer Note 33 for details of shares to be issued under Employee Stock Option Schemes (ESOPs).

11.9. Objective, policy and procedure of capital management:

Refer Note 39.

NOTE 12 : OTHER EQUITY

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Note 12.1 Reserves & Surplus		
Reserves & Surplus		
Capital reserve on Consolidation		
Balance as per last financial statements	(237.08)	(237.08)
Addition during the year	21.47	-
Balance at the end of the year	**(215.61)**	**(237.08)**
Capital reserve		
Balance as per last financial statements	39.89	39.89
Less: Utilised during the year (refer note b below)	-	-
Balance at the end of the year	**39.89**	**39.89**
Securities premium		
Balance as per last financial statements	2,147.45	2,140.53
Add: Addition during the year	2.26	5.26
Add: Transfer from share based payment reserve	0.91	1.66
Less: Equity issue expenses adjusted during the year	-	-
Balance at the end of the year	**2,150.62**	**2,147.45**
Share based payment reserve (Refer Note 33)		
Balance as per last financial statements	16.13	12.82
Add: Addition during the year	4.22	4.97
Less: Transfer to Securities Premium Account	(0.91)	(1.66)
Balance at the end of the year	**19.44**	**16.13**
Surplus in statement of profit and loss		
Balance as per last financial statements	(1,200.21)	(1,348.91)
Add: Profit for the year	80.64	36.71
Less: Dividend for the year	(13.28)	-
Add: Movement between Non-Controling Interest and Equity holders of the parent	-	113.30
(Less): OCI for the year	(1.24)	(1.31)
	(1,134.09)	**(1,200.21)**
Total reserves & surplus	**860.25**	**766.18**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Note 12.2 Other comprehensive income		
Net Gain/(Loss) on FVOCI Equity Instruments		
Balance as per last financial statements	90.16	90.16
Balance at the end of the year	**90.16**	**90.16**
Cash Flow Hedge reserve		
Balance as per last financial statements	0.17	(0.13)
Add: (Loss) / Gain for the year	(1.30)	0.80
Add/(Less): Tax impact	0.33	(0.20)
Less: Share of Non Controlling Interest	0.49	(0.30)
Balance at the end of the year	**(0.31)**	**0.17**
Total Other comprehensive income	**89.85**	**90.33**
Total Other equity	**950.10**	**856.51**

Note :

The description of the nature and purpose of each reserve within equity is as follows :

a. Capital reserve on consolidation

Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on Consolidation.

b. Capital reserve

Capital reserve represents capital reserve on amalgamation/business combination. This reserve arose pursuant to scheme of arrangement and shall not be considered to be reserve created by the Group. Utilisation during the year represents the stamp duty paid which is accounted as per the Composite scheme of arrangement for demerger of branded apparel undertaking.

c. Securities premium

Securities premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies, Act.

d. Share based payment reserve

This reserve relates to share options granted by the Group to its and erstwhile Parent Company's employee share option plan. Further information about share-based payments to employees is set out in Note 33.

e. Net Gain/(Loss) on FVOCI Equity Instruments

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

f. Cash Flow Hedge Reserve

The hedge reserve represents the cumulative effect portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when he hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

NOTE 13 : FINANCIAL LIABILITIES

13 (a) Borrowings

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term Borrowings (Refer Note 1(a) below)		
Secured (At amortised cost)		
Term loan from Banks	10.58	30.59
Total long-term borrowings	**10.58**	**30.59**
Short-term Borrowings (Refer Note 1(b) below)		
Secured (At amortised cost)		
Current maturities of Long-Term borrowings	19.78	40.77
Working Capital Loans repayable on demand from Banks Under Buyer's Credit Arrangement	435.73	526.29
Total short-term borrowings	**455.51**	**567.06**
Total borrowings	**466.09**	**597.65**

Note :

1. Secured Borrowings

(a) Long term

Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023	Security	Terms of Repayment
Rupee Loans	9.80%	6.59	10.88	Secured against first pari passu charge over the entire movable fixed assets of the Parent Company both present and future, and second charge is created over the entire stock, receivables and other current assets of the Parent Company both present and future.	Repayable in quarterly installments beginning from September 2019.
Rupee Loans	9.25% to 9.95%	17.19	25.79	1. Guaranteed By National Credit Guarantee Trustee Company Ltd 2. Second Charge on all current assets of borrower both presnt and future 3. Extention of second ranking charge over existing primary and collateral securities created in favor of the bank (including but not limited to hypothecation on present and future stock, book debts and movable fixed assets of the Parent company and assets of the borrower created out of this Facility).	Repayable in 48 Monthly installments beginning from April 2022.
Rupee Loans	10.80%	-	12.49	1. First charge over the entire movable fixed assets of one of the Subsidiary Company both present and future and second charge is created over the entire stock, receivables and other current assets of one of the Subsidiary Company. 2. Corporate Guarantee given by Parent Company	Final repayment was made on 31st March, 2024 henceforth the loan is closed.
Rupee Loans	9.65%	6.16	20.94		Repayble in 17 instalments in 5 years, starting from September 2020.
Hire Purchase loans	7.70% to 8.10%	0.42	1.27	Secured by hypothecation of related vehicles	Monthly payment of Equated Monthly Installments beginning from the month subsequent to taking the loans.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(b) Short term

Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023	Security	
Working Capital loans	7.95% to 8.66%	36.00	37.60	First pari passu charge on entire Stock and Receivables of the Parent Company both present and future.	1. Secured against Pledge 175,82,539 shares of Arvind Youth Brands Private Limited owned by Parent Company.
Working Capital loans	7.85%	28.00	28.00	First pari passu charge on entire Stock and Receivables of the Parent Company both present and future.	No equity shares pledged
Working Capital loans	7.70% to 8.10%	15.00	29.15	First pari passu charge on entire Stock and Receivables of the Company both present and future.	Secured against Pledge of 81,15,018 shares of Arvind Youth Brands Private Limited (AYBPL).
Working Capital loans	8.40% to 8.95%	76.74	60.33	1. First and pari passu charge by way of Hypothecation of current assets of one of the Subsidiary Company (Present and Future) including inventory and book debts. 2. First pari-passu charge over entire property plant and equipment of one of the Subsidiary Company (present and future) comprising furniture & fixture, Office equipment, plant and equipments, other leasehold Improvement etc. located at retail stores / showrooms and other places etc on pari passu basis. 3. Joint Corporate Guarantee given by Parent company and one of its subsidiary upto the extent of total sanction limits of ₹ 13,500 Lakhs (Previous year ₹10,500 lakhs).	No equity shares pledged
Working Capital loans	7.95% - 8.66%	90.00	78.40	1. First charge over entire stocks, receivables and other current assets (present and future) and second charge over entire fixed assets of one of the Subsidiary Company both present and future 2. Corporate Guarantee given by Parent Company	Secured against Pledge of 1,09,60,183 equity shares of AYBPL owned by the Borrowing Company.
Working Capital loans	8.28% - 8.45%	155.76	156.05		1) Secured agaist pledge of 3,25,57,884 equity shares of Arvind Youth Brands Private Limited owned by Borrowing Company. 2) Secured agaist pledge of 4,63,51,265 equity shares of Arvind Lifestyle Brands Limited owned by Parent Company.
Working Capital loans	8.45%	15.00	48.00		Secured agaist pledge of 43,84,074 equity shares of Arvind Youth Brands Private Limited owned by Borrowing Company.
Working Capital loans		-	-		Secured against Pledge of 61,37,703 equity shares of AYBPL owned by the Borrowing Company.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Particulars	Rate of interest	As at March 31, 2024	As at March 31, 2023	Security	
Working Capital loans	9.75%	9.23	50.76		Secured against Pledge of 1,09,60,183 equity shares of AYBPL owned by the Borrowing Company.
Working Capital loans	7.7% - 7.85%	10.00	10.00	1. Corporate Guarantee given by Parent Company.	No equity shares pledged
Working Capital loans	8.95%	-	28.00	1. First charge on entire current assets of Borrowing Company. 2. Corporate guarantee by Parent Company.	No equity shares pledged

2. All necessary charges or satisfaction are registered with ROC within the statutory period.
3. The Group has Fund based and Non-fund based limits of working capital from Banks and Financial Institutions. For the said facility, the revised submissions made by the Group to its lead bankers based on closure of book of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters and no material discrepancies have been observed.
4. The group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

13 (b) Trade payable

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Acceptances*	284.62	193.62
Other Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises (Refer Note below)	60.32	54.75
- Total outstanding dues other than micro enterprises and small enterprises	591.37	771.13
Total	**936.31**	**1,019.50**

*Acceptances include arrangements where operational suppliers of goods and services are initially paid by banks/financial institutions while the group continues to recognize the liability till settlement with the banks/financial institutions.

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
i) Principal	47.36	40.44
ii) Interest	12.96	14.32
(b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	1.29
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	12.96	14.32
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	12.96	14.32
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	12.96	14.32

Trade Payables ageing schedule:

As at March 31, 2024

₹ In Crores

Particulars	Outstanding for following periods from due date of Payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, Small and Medium Enterprises	60.30	0.02	-	-		60.32
Others	809.92	47.73	5.32	2.51	10.51	875.99
Total	**870.22**	**47.75**	**5.32**	**2.51**	**10.51**	**936.31**

As at March 31, 2023

₹ In Crores

Particulars	Outstanding for following periods from due date of Payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, Small and Medium Enterprises	54.75	-	-	-		54.75
Others	878.96	65.52	4.84	4.45	10.98	964.75
Total	**933.71**	**65.52**	**4.84**	**4.45**	**10.98**	**1,019.50**

13 (c) Other financial liabilities

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Payable to employees	14.00	7.50
Security Deposit	117.64	114.45
	131.64	**121.95**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Security Deposit	0.60	1.38
Interest accrued and due on others	2.20	1.99
Interest accrued but not due on borrowings	12.46	8.05
Payable to employees	21.11	22.29
Payable for capital goods	11.63	10.30
Deposits from customers and others	0.71	0.72
Foreign Exchange Forward contracts (Cash flow hedge)	0.51	-
Other Financial Liabilities	0.99	-
Unclaimed Dividend Payable (Refer Note 7(d))	0.04	-
Others*	1.04	1.04
	51.29	**45.77**
Total	**182.93**	**167.72**

Note 1: There is no amount due and outstanding to be transfer to the Investor Education and Protection Fund (IEPF).

Note 2: * This includes Unpaid Fractional Shares Amount of ₹1.04 Crores (March 31, 2023 ₹1.04 Crores) and due for refund for the excess money received on Right Issue of ₹14,400 (March 31, 2023 ₹14,400)

13 (d) : Financial Liabilities by category

₹ In Crores

Particulars	FVOCI	FVTPL	Amortised Cost
March 31, 2024			
Borrowings	-	-	466.09
Trade payables	-	-	936.31
Foreign Exchange Forward contracts (Cash flow hedge)	0.51	-	-
Security Deposits	-	-	118.24
Payable to employees	-	-	35.11
Interest accrued but not due	-	-	12.46
Interest accrued and due	-	-	2.20
Payable in respect of Capital goods	-	-	11.63
Lease Liabilities	-	-	681.83
Deposits from customers and others	-	-	0.71
Others	-	-	2.07
Total Financial liabilities	**0.51**	**-**	**2,266.65**

₹ In Crores

Particulars	FVOCI	FVTPL	Amortised Cost
March 31, 2023			
Borrowings	-	-	597.65
Trade payables	-	-	1,019.50
Security Deposits	-	-	115.83
Payable to employees	-	-	29.79
Interest accrued but not due	-	-	8.05
Interest accrued and due	-	-	1.99
Payable in respect of Capital goods	-	-	10.30
Lease Liabilities	-	-	667.38
Deposits from customers and others	-	-	0.72
Others	-	-	1.04
Total Financial liabilities	**-**	**-**	**2,452.25**

1) Financial instruments risk management objectives and policies, refer Note 38.
2) Fair value disclosure for financial assets and liabilities, refer note 36 and for fair value hierarchy disclosures refer note 37.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 14: PROVISIONS

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Long-term		
Provision for employee benefits (Refer Note 30)		
Provision for leave encashment	5.21	4.15
Provision for Gratuity	10.30	11.03
	15.51	**15.18**
Short-term		
Provision for employee benefits (Refer Note 30)		
Provision for leave encashment	4.43	4.51
Provision for Gratuity	1.27	0.47
Others		
Short term provision for litigation/disputed matters (Refer Note a below)	1.75	2.06
	7.45	**7.04**
Total	**22.96**	**22.22**

(a) Provision for litigation/ disputed matters

The group has made provisions for pending disputed matters in respect of Indirect taxes like GST, Sales tax, Excise duty and Customs duty, the liability which may arise in the future, the quantum whereof will be determined as and when the matters are disposed off.

The movement in the provision account is as under :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements	2.06	1.79
Add / (Less): Adjusted during the year	(0.31)	0.27
Balance as at the end of the year	**1.75**	**2.06**

NOTE 15 : OTHER CURRENT LIABILITIES

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Fair valuation of security deposits from customers	0.80	0.50
	0.80	**0.50**
Current		
Advance from customers	61.36	67.52
Statutory dues including provident fund and tax deducted at source etc	14.15	23.67
Fair valuation of security deposits from customers	0.36	0.25
Unaccrued Sale (Refer note 16 (II))	4.20	3.37
Deferred income on Gift voucher issued (Refer note 16 (II) and note (b) below)	3.14	2.73
Deferred income of loyalty program reward points (Refer note 16 (II) and note (a) below)	1.38	4.65
	84.59	**102.19**
Total	**85.39**	**102.69**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

(a) Deferred income of Loyalty Program Reward Points

The Group has deferred the revenue related to the customer loyalty program reward points. The movement in deferred revenue for those reward points are given below :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements	4.65	3.20
Add : Provision Made during the year (Net of expiry) (Refer Note 16)	3.76	3.52
Less : Deferment/Redeemed during the year (Net)	(3.46)	(2.07)
Less : Provision related to Discontinued Brands (Refer Note 42)	(3.57)	-
Balance at the end of the year	**1.38**	**4.65**

(b) Deferred income of Gift vouchers issued

The Group has deferred the revenue related to the gift voucher issued. The movement in deferred revenue for those gift vouchers are given below :

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as per last financial statements	2.73	-
Add : Provision Made during the year (Net of expiry and redemption) (Refer Note 16)	0.41	2.73
Balance at the end of the year	**3.14**	**2.73**

Note 15 (b) : Current Tax liabilities

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Provision For Income Tax	6.20	2.63
Total	**6.20**	**2.63**

NOTE 16 : REVENUE FROM OPERATIONS

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products	4,201.41	4,027.19
Sale of services	50.14	37.25
	4,251.55	**4,064.44**
Operating income		
Export incentives	0.39	0.34
Foreign Exchange fluctuation on Vendors and Customers (Net)	6.40	3.05
Miscellaneous receipts	0.78	1.66
	7.57	**5.05**
Total	**4,259.12**	**4,069.49**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

I. Disaggregation of revenue from contracts with customers

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Revenue based on Geography		
i. Domestic	4,227.02	4,044.81
ii. Export	32.10	24.68
	4,259.12	**4,069.49**
B. Revenue based on Business Segment		
Branded Apparels and accessories	**4,259.12**	**4,069.49**

II. Contract Balances

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables (Refer note 7(a)	646.78	559.51
Advance from customers (Refer note 15)	61.36	67.52
Contract liabilities		
Unaccrued Sale (Refer Note 15)	4.20	3.37
Deferred income on gift vouchers issued (Refer Note 15(b))	3.14	2.73
Deferred income of loyalty program reward points (Refer Note 15(a))	1.38	4.65

Note : Contract liabilities include transaction price of loyalty points and gift vouchers not yet redeemed.

III. Reconciliation of Revenue from Operation with Contract Price

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contract Price	5,152.14	4,969.63
Less:		
Sales Return	545.00	586.35
Schemes and Discounts	344.26	310.27
Customer Loyalty Program	3.76	3.52
Total Revenue from Operations	**4,259.12**	**4,069.49**

Notes :

a) W.e.f. July 1, 2023 the Group has changed the estimation for calculating Right to Return as per Ind-AS 115 from yearly average to the season average, based on latest trends. Accordingly, the change in return provision is being applied prospectively in accordance with Ind AS-8. Had the group continued with previously assessed method, revenue from operations for the year ended March 31, 2024, would have been higher by ₹ 2.42 crores respectively. While Cost of Goods Sold for the year ended March 31, 2024, would have been higher by ₹ 3.15 crores respectively.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

NOTE 17 : OTHER INCOME

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on financial assets recognised at amortised cost	9.31	9.57
Interest Income on fair value of security deposit	6.01	4.47
Gain on Reassessment of Lease (Refer Note 34)	7.61	13.07
Income due to Rent Waivers (Refer Note 34)	0.63	-
Profit on sale of Property, Plant & Equipment (Net)	-	0.01
Gain on Foreign Exchange Fluctuation	0.04	-
Provision for doubtful debts written back	0.85	6.18
Provision no longer required	3.35	9.07
Miscellaneous income	5.94	7.97
Total	**33.74**	**50.34**

NOTE 18 : PURCHASES OF STOCK-IN-TRADE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Branded Apparels and Accessories	2,074.41	2,206.40
Total	**2,074.41**	**2,206.40**

NOTE 19 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Stock at the end of the year		
Stock-in-trade	909.44	872.13
Stock at the beginning of the year		
Stock-in-trade	872.13	732.42
(Decrease) in Stock-in-trade	**(37.31)**	**(139.71)**

NOTE 20 : EMPLOYEE BENEFITS EXPENSE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 30)	227.33	212.23
Contribution to provident and other funds (Refer Note 30)	10.28	9.27
Welfare and training expenses	18.31	17.65
Share based payment to employees (Refer Note 33)	4.15	4.81
Total	**260.07**	**243.96**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 21 : FINANCE COSTS

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses on financial liabilities measured at amortised cost		
Loans	15.38	22.04
Lease Liabilities (Refer Note 34)	63.86	47.38
Others	41.04	31.29
Other borrowing cost	23.90	20.26
Total	**144.18**	**120.97**

NOTE 22 : DEPRECIATION AND AMORTIZATION EXPENSE

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, Plant & Equipment (Refer Note 5)	39.64	47.20
Amortization on Intangible assets (Refer Note 6)	15.62	16.24
Depreciation on Right-of-use Assets (Refer Note 34)	174.82	139.63
Total	**230.08**	**203.07**

NOTE 23 : OTHER EXPENSES

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel	8.72	10.18
Insurance	4.57	3.99
Processing charges	5.28	4.80
Printing, stationery & communication	8.92	7.58
Rent :		
Short Term leases and leases of low-value assets (Refer Note 34)	11.66	13.07
Commission & Brokerage	561.21	511.06
Rates and taxes	8.39	10.55
Repairs :		
To Building	11.89	9.92
To Others	23.96	22.50
Royalty on Sales*	178.70	180.58
Freight, insurance & clearing charge	89.93	77.03
Legal & Professional charges	31.99	35.19
Housekeeping Charges	2.61	2.30
Security Charges	2.48	1.82
Computer Expenses	18.30	16.47
Conveyance & Travelling expense	26.94	29.15
Advertisement and Publicity	171.23	123.65
Packing Materials Expenses	11.22	16.43
Contract Labour Charges	199.55	167.07
Allowances for cash losses	-	0.22
Allowance for doubtful debts (Refer Note 7a)	1.77	18.48
Allowance for Doubtful Deposits (Refer Note 7e)	-	0.25

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other written off / written back	2.25	2.84
Sampling and Testing Expenses	10.78	9.44
Director's sitting fees	0.95	0.49
Auditor's remuneration (Refer Note a below)	1.68	1.31
Business Conducting Fees	2.72	6.34
Bank charges	11.87	14.37
Warehouse Charges	35.71	28.17
Spend on CSR activities (Refer Note 35)	1.00	0.34
Property, Plant & Equipment written off	2.35	2.37
Loss on Sale of Investment	-	0.30
Miscellaneous expenses	2.79	7.57
Total	**1,451.42**	**1,335.83**

* Royalty on Sales for the year ended Mar 31, 2023 includes termination fees amounting to ₹ 7.93 in Crores for one of the brands.

(a): Breakup of Auditor's remuneration

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to Auditors as		
Statutory Auditor Fees	1.60	1.25
Certification Fee	0.02	0.02
For reimbursement of expenses	0.06	0.04
Total	**1.68**	**1.31**

NOTE 24: EXCEPTIONAL ITEMS

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Allowance for Settlement of old VAT and CST Cases *	6.17	-
Total	**6.17**	**-**

* During the current year, one of the subsidiary company has closed cases under Karamsandha Scheme, 2023 related to pre GST litigations for KVAT in Karnataka .

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 25 : INCOME TAX

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income Tax Expenses recognised in Statement of Profit & Loss from Continuing Operation		
Current Tax		
Current Tax	50.52	39.68
(Excess)/ Short provision related to earlier years	-	0.99
Deferred Tax	-	
Deferred Tax Charge/(Credit)	6.73	(0.61)
Income Tax Expenses recognised in Statement of Profit & Loss from Discontinued Operation		
Current Tax		
(Excess)/ Short provision related to earlier years	0.18	-
Deferred Tax		
Deferred Tax Charge/(Credit)	0.03	0.05
Income tax expense reported in the statement of consolidated profit & loss	**57.46**	**40.11**

OCI section

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Statement to Other comprehensive income (OCI)		
Deferred tax Charge/(Credit)	(0.99)	(0.47)
Deferred tax charged to OCI	**(0.99)**	**(0.47)**

Reconciliation of tax expense and the accounting profit multiplied by Group's tax rate:

A) Current tax

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit/(loss) before tax from Continuing and discontinuing operations	194.57	127.07
Tax Rate	34.944%	34.944%
Current Tax Expenses on Profit before tax at the enacted income tax rate in India	67.99	44.40
Adjustments		
Difference in Tax Rates for certain entities of the Group	(14.34)	(10.70)
Expenditure not deductible for Tax	(7.92)	(2.85)
Deferred tax assets not recognised as realisation is not probable	14.97	3.52
Others	(3.24)	5.74
At the effective income tax	**57.46**	**40.11**
Effective Income Tax Rate %	**29.53%**	**31.56%**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

B) Deferred tax

₹ In Crores

Particulars	Consolidated Balance Sheet	Consolidated Statement of Profit & Loss and Other Comprehensive Income	Adjustment on Consolidation	Consolidated Balance Sheet	Consolidated Statement of Profit & Loss and Other Comprehensive Income
	As at Mar 31, 2024	Year ended Mar 31, 2024	Year ended Mar 31, 2024	As at Mar 31, 2024	Year ended Mar 31, 2023
Accelerated depreciation for tax purposes	121.07	(13.45)	-	134.52	(1.06)
Expenditure allowable on payment basis/ over the period	22.67	11.26	-	11.41	(0.78)
Expenses on Employee Stock Option	1.99	(0.05)	-	2.04	(0.14)
Unused losses available for offsetting against future taxable income	173.97	(2.20)	-	176.17	0.03
Allowance for Doubtful Receivables/ Advances	1.03	(1.28)	-	2.31	(2.43)
Unused tax credit available for offsetting against future taxable income (MAT credit entitlement)	11.29	(1.39)	-	12.68	(3.11)
Deferred Tax on unrealised profit	14.41	(12.49)	-	26.90	(4.05)
Impact on adoption of Ind AS 116	35.28	4.76	-	30.52	4.49
Others	7.52	(7.93)		15.45	8.07
Adjustment on account of sale of Subsidiary	-	17.00		-	-
Net deferred tax assets/(liabilities)	**389.23**	**(5.77)**	**-**	**412.00**	**1.02**

Note :

(i) Some of the group companies have stopped recognizing additional deferred tax asset until it becomes probable that sufficient taxable profits will be available.

(ii) The Group has unused carried forward losses of ₹ 1,386.05 Crores as at March 31, 2024 (March 31, 2023: ₹ 1,456.62 Crores). Out of the same, tax credits on losses of ₹ 880.37 Crores (March 31, 2023: ₹ 998.82 Crores) have not been recognized on the basis that recovery is not probable in the foreseeable future. The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance as at April 1	412.00	410.97
Adjustment on Consolidation	(6.92)	(4.04)
Adjustment on account of sale of Subsidiary	(17.00)	-
Deferred Tax income/(expense) during the period recognised in profit or loss for Continuing Operations	0.16	4.60
Deferred Tax income/(expense) during the period recognised in OCI	0.99	0.47
Closing balance as at March 31	**389.23**	**412.00**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 26 : CONTINGENT LIABILITIES

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liabilities not provided for		
a. Claims against the Group not acknowledged as debts	6.04	1.40
b. Disputed demands in respect of		
Excise/Customs duty (Refer Note d below)	38.98	38.98
Sales tax/ GST (Refer Note e below)	34.86	34.10
Income tax	39.77	40.73
Labour regulation	0.22	0.22
c. Guarantee given by bank on behalf of the group	0.03	0.40

Notes :

(a) It is not practical for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group does not expect any reimbursements in respect of the above Contingent liabilities.

(c) The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on is considered necessary for the same.

(d) Two of the Group companies had received demand cum show cause notice under section 28(4) read with section 124 of the Customs Act, 1962 from the Directorate of Revenue Intelligence ('DRI'), for short payment of duty due to non-inclusion of certain payments to vendors for determining assessable value for payment of Custom Duty. The Group is confident that it's position will likely be upheld in the appellate process against the above demand. However, the Group had deposited ₹1.69 Crores under protest.

(e) Disputed demand for Sales Tax and VAT includes demand raised mainly due to non-submission of various statutory forms to appropriate authority. Subsequent to the demand, the Group has collected forms covering substantial amount of demand. The Group is in the process of collecting balance forms and hence no provision is considered necessary for the same.

NOTE 27 : CAPITAL COMMITMENT AND OTHER COMMITMENTS

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	10.04	10.39

NOTE 28 : FOREIGN EXCHANGE DERIVATIVES AND EXPOSURES NOT HEDGED

A. Foreign Exchange Derivatives

Nature of instrument	Average Exchange rate (in equivalent ₹)	In FC USD in Crores	₹ in Crores
Forward contracts - Purchase			
As at March 31, 2024	83.34	2.31	192.52
As at March 31, 2023	82.17	2.10	172.76

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

B. Exposure Not Hedged

Nature of instrument	In FC USD in Crores	₹ in Crores	In FC EURO in Crores	₹ in Crores	In FC SEK in Crores	₹ in Crores	In FC AED in Crores	₹ in Crores
Receivables								
As at March 31, 2024	0.94	78.55	-	-	-	-	-	-
As at March 31, 2023	0.09	7.15	-	-	-	-	-	-
Payable to creditors								
As at March 31, 2024	0.83	69.52	0.08	7.57	0.00	0.04	-	-
As at March 31, 2023	1.21	99.83	0.01	1.16	0.06	0.44	0.00	0.08

NOTE 29 : SEGMENT REPORTING

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group.

The Group's business activity falls within a single operating business segment of Branded Apparels and Accessories through Retail and Departmental Store facilities.

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Segment Revenue from continuing operation*		
a) In India	4,227.02	4,044.81
b) Rest of the world	32.10	24.68
Total Sales	**4,259.12**	**4,069.49**
Segment Revenue from discontinued operation*		
a) In India	216.45	355.59
b) Rest of the world	-	-
Total Sales	**216.45**	**355.59**
Carrying Cost of Segment Assets from continuing operation**		
a) In India	3,526.79	3,664.87
b) Rest of the world	78.55	7.15
Total	**3,605.34**	**3,672.02**
Carrying Cost of Segment Assets from discontinued operation**		
a) In India	1.63	-
b) Rest of the world	-	-
Total	**1.63**	**-**
Carrying Cost of Segment Non Current Assets from continued operation@**		
a) In India	1,030.53	982.96
b) Rest of the world	-	-
Total	**1,030.53**	**982.96**
Carrying Cost of Segment Non Current Assets from discontinued operation@**		
a) In India	-	-
b) Rest of the world	-	-
Total	**-**	**-**

* Based on location of Customers

** Based on location of Assets

**@ Excluding Investment and Deferred Tax Assets

Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

Information about major customers (revenues from single external customer more than 10% of total revenue):

Considering the nature of business of the Group in which it operates, the group deals with various customers including multiple geographics. Consequently, none of the customer contribute materially to the revenue of the group.

NOTE 30 : DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A Defined Contribution Plans

The following amounts are recognised as expense and included in Note 20 "Employee benefit expenses"

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Provident Fund	9.89	8.88
Contribution to National Pension Scheme	0.36	0.24
Contribution to ESI	0.02	0.13
Contribution to Labour Welfare Fund	0.01	0.02
Total	**10.28**	**9.27**

Note

(a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan. The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. Employees of the Group receive benefits from a government administered provident fund, which is a defined contribution plan. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

B Defined Benefit Plans

The Group has following post employment benefits which are in the nature of defined benefit plans:

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Group make annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

Notes to the Consolidated Financial Statements
For The Year Ended March 31, 2024

March 31,2024: Changes in defined benefit obligation and plan assets

₹ In Crores

Particulars	April 1, 2023	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Increase (decrease) due to effect of business combi- nation/ transfer	Contri- butions by employer	March 31, 2024
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI			
Gratuity													
Defined benefit obligation	(16.13)	(1.99)	(0.96)	(2.95)	2.18	-	(0.48)	0.07	(1.55)	(1.97)	0.41	-	(18.45)
Fair value of plan assets	4.64	0.06	0.30	0.36	(2.18)	(0.03)	-	-	(0.06)	(0.09)	-	4.15	6.88
Total benefit liability	**(11.49)**	**(1.93)**	**(0.66)**	**(2.57)**	**-**	**(0.03)**	**(0.48)**	**0.07**	**(1.61)**	**(2.06)**	**0.41**	**4.15**	**(11.57)**

March 31, 2023: Changes in defined benefit obligation and plan assets

₹ In Crores

Particulars	April 1, 2022	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Increase (decrease) due to effect of business combi- nation/ transfer	Contri- butions by employer	March 31, 2023
		Service cost	Net interest expense	Sub-total included in statement of profit and loss		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI			
Gratuity													
Defined benefit obligation	(16.51)	(2.14)	(0.80)	(2.94)	5.50	-	(0.18)	(0.44)	(1.55)	(2.17)		-	(16.13)
Fair value of plan assets	2.75	-	0.18	0.18	(5.50)	0.16	(0.02)	-	-	0.14	-	7.06	4.64
Total benefit liability	**(13.76)**	**(2.14)**	**(0.62)**	**(2.76)**	**-**	**0.16**	**(0.20)**	**(0.44)**	**(1.55)**	**(2.03)**	**-**	**7.06**	**(11.49)**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Others (Insurance company Products)	100%	100%
(%) of total plan assets	**100%**	100%

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.20%	7.40%
Future salary increase	13.26% to 12.77%	8.3% to 12%
Expected rate of return on plan assets	7.20%	7.30%
Attrition rate	23.7% to 31.1%	18% to 54%
Mortality rate during employment	Indian assured lives Mortality(2006-08)	Indian assured lives Mortality(2006-08)

The above sensitivity analysis may not be representative of the actual benefit 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. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

A quantitative sensitivity analysis for significant assumption is as shown below:

₹ In Crores

Particulars	Sensitivity level	Increase / (Decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2024	Year ended March 31, 2023
Gratuity			
Discount rate	50 basis points increase	(0.30)	(0.07)
	50 basis points decrease	0.32	0.07
Salary increase	50 basis points increase	0.23	0.04
	50 basis points decrease	(0.23)	(0.05)
Attrition rate	50 basis points increase	(0.08)	(0.01)
	50 basis points decrease	0.07	0.01

The above sensitivity analysis may not be representative of the actual benefit 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. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

The followings are the expected future benefit payments for the defined benefit plan :

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity		
Within the next 12 months (next annual reporting period)	3.87	4.16
Between 2 and 5 years	15.10	13.50
Beyond 5 years	14.79	10.78
Total expected payments	**33.76**	**28.45**

Weighted average duration of defined plan obligation (based on discounted cash flows)

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gratuity	3 years to 4 years	2 years to 7 years

C Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each 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. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Leave encashment	3.38	4.74
	3.38	**4.74**

Closing Balance of net defined benefit liability

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a. Long term provisions	5.21	4.15
b. Short term provisions	4.43	4.51
	9.64	**8.66**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 31 : RELATED PARTY TRANSACTIONS

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Group are as follows :

Name of Related Parties	Nature of Relationship
Arvind Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Sports Fashion Private Limited (Earlier known as Arvind Ruf & Tuf Private Limited)	Enterprise on which Non-Executive Director exercise significant influence
Anveshan Textiles Limited (Previously known as Arvind Fashion Brands Ltd)	Enterprise on which Non-Executive Director exercise significant influence
Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	Enterprise on which Non-Executive Director exercise significant influence
Arvind Premium Retail Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	Enterprise on which Non-Executive Director exercise significant influence
Arvind Internet Limited	Enterprise on which Non-Executive Director exercise significant influence (up to June 30, 2022)
Arvind Smart Textile Limited	Enterprise on which Non-Executive Director exercise significant influence
Arvind Envisol Limited	Enterprise on which Non-Executive Director exercise significant influence
Aura Securities Private Limited	Enterprise on which Non-Executive Director exercise significant influence
Multiples Private Equity Fund II LLP	Enterprise on which Non-Executive Director exercise significant influence
J Suresh Consults	Enterprise on which Non-Executive Director exercise significant influence
Suresh Jayaraman	Additional Director of the Company up to August 22, 2021 and Non-executive director w.e.f August 23, 2021.
Shailesh Shyam Chaturvedi	Key Management Personnel, Managing Director & CEO
Piyush Gupta, Chief Financial Officer	Key Management Personnel, (w.e.f. February 12, 2022 to January 5, 2023)
Girdhar Chitlangia, Chief Financial Officer	Key Management Personnel, (w.e.f. January 6, 2023)
Lipi Jha, Company Secretary	Key Management Personnel, (w.e.f. May 27, 2022)
Sanjaybhai S. Lalbhai, Chairman	Non Executive Director
Nithya Easwaran	Non Executive Director
Kulin S. Lalbhai, Vice Chairman	Non Executive Director
Punit S. Lalbhai	Non Executive Director
Nilesh D. Shah	Non Executive Director
Abanti Sankaranrayanan	Non Executive Director (upto March 10, 2023)
Ananya Thripati	Non Executive Director (w.e.f March 14, 2023)
Vallabh R. Bhanshali	Non Executive Director (upto October 9, 2023)
Nagesh D. Pinge	Non Executive Director
Achal A. Bakeri	Non Executive Director
Vani Kola	Non Executive Director (Upto July 1, 2022)
Manoj Nakra	Non Executive Director, (w.e.f July 1, 2022)
Govind Shrikhande	Non Executive Director, (w.e.f October 9, 2023)

Note: Related party relationship is as identified by the Group and relied upon by the Auditors.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

b. Transactions with related parties for the year ended March 31, 2024 and year ended March 31, 2023.

₹ In Crores

Particulars	Key Managerial Personnel and Non Executive Directors	Enterprise having significant influence by Key Management Personnel and Non-Executive Director
Purchase of Goods and Materials (Net)		
March 31, 2024	-	46.59
March 31, 2023	-	30.20
Sales of Goods and Materials		
March 31, 2024	-	0.35
March 31, 2023	-	0.08
Receipt of Services-Shared services and Others		
March 31, 2024		9.04
March 31, 2023	-	9.02
Rendering of Services-Shared service		
March 31, 2024		0.76
March 31, 2023	-	2.09
Remuneration		
March 31, 2024	14.02	-
March 31, 2023	11.09	-
Consultancy Charges		
March 31, 2024	-	1.50
March 31, 2023	-	1.50
Directors' Sitting Fees and Commission		
March 31, 2024	0.95	-
March 31, 2023	0.49	-
Dividend Paid		
March 31, 2024	0.14	4.89
March 31, 2023	-	

c. Balances with related parties for the year ended March 31, 2024 and year ended March 31, 2023.

₹ In Crores

Particulars	Key Managerial Personnel and Non Executive Directors	Enterprise having significant influence by Key Management Personnel and Non-Executive Director
Trade and Other Receivable		
March 31, 2024	-	1.85
March 31, 2023	-	5.97
Trade and Other Payable		
March 31, 2024	-	28.68
March 31, 2023	-	21.85

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

d. Terms and conditions of transactions with related parties

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given & taken and fair value of financial guarantee contract, at the year-end are unsecured and interest free and settlement occurs in cash.

e. Commitments with related parties

The Group has not provided any commitment to the related party (March 31, 2023: ₹ Nil).

f. Transactions with key management personnel

Compensation of key management personnel of the Group

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	13.03	8.57
Share based payments	0.99	2.52
Total compensation paid to key management personnel	**14.02**	**11.09**

NOTE 32 : EARNINGS PER SHARE - EPS (BASIC AND DILUTED)

₹ In Crores#

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Total no. of equity shares at the end of the year	13,29,84,460	13,28,25,660
Nominal value of equity shares	4	4
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	13,28,88,315	13,26,93,378
Effect of dilution: Share options	3,39,264	3,45,653
Weighted average number of equity shares adjusted for the effect of dilution	13,32,27,579	13,30,39,031
A. EPS - Continuing Operations		
Profit/ (Loss) attributable to ordinary equity holders	80.64	36.71
Add/Less: (Profit)/ Loss before tax from Continuing Operations	(30.52)	22.29
Adjusted Profit/ (Loss) for the year for EPS Calculation	**50.12**	**59.00**
Weighted average number of equity shares		
For basic EPS	13,28,88,315	13,26,93,378
For diluted EPS	13,32,27,579	13,30,39,031
Basic earnings per share	3.77	4.45
Diluted earnings per share	3.76	4.44
B. EPS - Discountinued Operations		
Profit/(Loss) before tax for the year from Discountinued Operations	30.52	(22.29)
Weighted average number of equity shares		
For basic EPS	13,28,88,315	13,26,93,378
For diluted EPS	13,32,27,579	13,30,39,031
Basic earnings per share	2.30	(1.68)
Diluted earnings per share	2.29	(1.68)
C. EPS - Continuing and Discountinued Operations		
Total Profit/(Loss) attributable to ordinary equity holders	80.64	36.71
Adjusted Profit/ (Loss) for the year for EPS Calculation	**80.64**	**36.71**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

₹ In Crores#

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Weighted average number of equity shares		
For basic EPS	13,28,88,315	13,26,93,378
For diluted EPS	13,32,27,579	13,30,39,031
Basic earnings per share	6.07	2.77
Diluted earnings per share	6.05	2.76

#All numbers are in ₹ Crores except weighted average number of equity shares, nominal value of Shares and Basic and Diluted EPS.

NOTE 33 : SHARE BASED PAYMENTS

The Parent has instituted Employee Stock Option Scheme 2016 ("ESOP 2016"), Employee Stock Option Scheme 2018 ("ESOP 2018") and Employee Stock Option Scheme 2022 ("ESOP 2022") pursuant to the approval of the shareholders of the Company at their General Meeting held on October 15, 2016, May 12, 2018 and September 26, 2022 respectively. Up to March 31, 2024, the Company has granted 42,63,049 options under ESOP 2016, 3,15,200 options under ESOS 2018 in lieu of demerger under the Scheme and 3,14,000 options under Employee Stock Option Scheme 2022 ("ESOP 2022") convertible into equal number of Equity Shares of face value of ₹ 4 each. The following table sets forth the particulars of the options granted during the year ended 31st March 2024 and 31st March 2023 under ESOP 2016 and ESOP 2022.

The following table sets forth the particulars of ESOP 2016 & ESOP 2022:

Scheme	March 31, 2024		March 31, 2023		
	ESOP 2022		ESOP 2016		ESOP 2022
Date of grant	30-May-23	10-Aug-23	10-Aug-22	5-Jan-23	14-Feb-23
Number of options granted	50,000	1,49,000	2,30,000	85,000	1,15,000
Exercise price per option	₹ 265.85	₹ 335.3	₹293.50	₹349.75	₹306.10
Vesting period	Up to 5 years from the date of grant		Up to 5 years from the date of grant		Up to 5 years from the date
Vesting requirements	Time based vesting	Time based vesting	Time based vesting	Time based vesting	Time based vesting
Exercise period	3 Years from the date of vesting		5 years from the date of vesting		3 years from the date of vesting
Method of settlement	Equity		Equity		Equity

The following table sets forth a summary of the activity of options:

Particulars	ESOP 2016			
	March 31, 2024	Weighted average exercise price per option (₹) #	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	17,46,727	302.64	18,69,274	302.64
Granted during the year	-	308.68	3,15,000	308.68
Forfeited during the year	(1,05,523)	284.35	(73,700)	284.35
Exercised during the year	(1,58,800)	143.93	(3,63,847)	143.93
Outstanding at the end of the year	14,82,404	333.30	17,46,727	333.30
Exercisable at the end of the year	13,62,377	468.43	9,15,377	468.43

Price adjusted due to Right Issue bonus factor of ₹ 56.73 per option outstanding

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

Particulars	ESOP 2018			
	March 31, 2024	Weighted average exercise price per option (₹)	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	-	-	3,15,200	834.13
Issued during the year	-	-	-	
Vested but not exercised at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(3,15,200)	834.13
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-

Particulars	ESOP 2022			
	March 31, 2024	Weighted average exercise price per option (₹)	March 31, 2023	Weighted average exercise price per option (₹)
Options				
Outstanding at the beginning of the year	1,15,000	306.10	-	-
Issued during the year	-	-	-	-
Vested but not exercised at the beginning of the year	-	-	-	-
Granted during the year	1,99,000	317.85	1,15,000	306.10
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	3,14,000	313.55	1,15,000	306.10
Exercisable at the end of the year	33,000	306.10	-	-

Share Options Exercised Year ending March 31, 2024

Option Series	No. of Options	Exercise Date	Exercise Price
ESOS 2016	2,500	7-Jun-23	148.20
ESOS 2016	2,500	7-Jun-23	148.20
ESOS 2016	44,000	5-Jul-23	153.17
ESOS 2016	6,000	4-Sep-23	153.17
ESOS 2016	9,000	4-Sep-23	137.32
ESOS 2016	10,000	20-Sep-23	148.20
ESOS 2016	43,750	6-Nov-23	136.02
ESOS 2016	6,250	6-Nov-23	46.02
ESOS 2016	1,100	22-Nov-23	148.20
ESOS 2016	2,000	22-Nov-23	148.20
ESOS 2016	2,200	22-Nov-23	128.93
ESOS 2016	1,000	7-Dec-23	148.20
ESOS 2016	1,000	7-Dec-23	148.20
ESOS 2016	1,500	7-Dec-23	148.20
ESOS 2016	1,500	18-Dec-23	148.20
ESOS 2016	1,500	18-Jan-24	148.20
ESOS 2016	500	08-Mar-24	148.20
ESOS 2016	6,000	08-Mar-24	286.70
ESOS 2016	4,000	28-Mar-24	148.20
ESOS 2016	5,000	28-Mar-24	148.20
ESOS 2016	7,500	28-Mar-24	148.20

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Share Options Exercised Year ending March 31, 2023

Option Series	No. of Options	Exercise Date	Exercise Price
ESOS 2016	1,00,000	21-Apr-22	153.17
ESOS 2016	15,000	14-Jun-22	153.17
ESOS 2016	21,000	14-Jun-22	137.32
ESOS 2016	52,500	4-Aug-22	136.02
ESOS 2016	52,500	4-Aug-22	137.32
ESOS 2016	7,500	4-Aug-22	148.20
ESOS 2016	7,500	17-Aug-22	46.02
ESOS 2016	21,700	17-Aug-22	148.20
ESOS 2016	35,000	20-Sep-22	148.20
ESOS 2016	15,000	7-Oct-22	39.29
ESOS 2016	8,500	28-Nov-22	286.70
ESOS 2016	9,000	28-Nov-22	148.20
ESOS 2016	1,075	28-Nov-22	44.87
ESOS 2016	2,558	28-Nov-22	117.19
ESOS 2016	520	28-Nov-22	128.93
ESOS 2016	6,000	10-Feb-23	286.70
ESOS 2016	3,600	10-Feb-23	148.20
ESOS 2016	4,894	10-Feb-23	128.93

The share options outstanding at the end of the year under ESOP 2016 have a weighted average remaining contractual life of 4.99 years (March 31, 2023: 5.59 years). The range of exercise price is from ₹ 39.29 to ₹ 1320.37

The share options outstanding at the end of the year under ESOP 2022 have a weighted average remaining contractual life of 5.15 years (March 31, 2023: 5.88 years). The exercise price is ₹ 265.85 to ₹ 335.30

Particulars	ESOP 2016	ESOP 2018	ESOP 2022	
Share price as at measurement date	No grants made during the period	No grants made during the period	₹ 265.85	₹ 335.30
Expected volatility			47.23%	42.61%
Expected life (years)			1.98 years	1.88 years
Dividend yield			0.00%	0.00%
Risk-free interest rate (%)			6.87%	7.07%

Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee option plan	4.15	4.81
Others		
Total employee share based payment expense	**4.15**	**4.81**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 34 : LEASES

A. The Group has taken Showrooms, warehouses and other facilities on lease period of 1 to 11 years with option of renewal.

Disclosures as per Ind AS 116 - Leases are as follows:

B. Changes in the carrying value of right of use assets (Showrooms and Other Facilities)

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	608.04	387.90
Additions	317.82	485.26
Deletions	(109.76)	(99.22)
Depreciation	(174.82)	(139.63)
Depreciation - Discontinued Operations	(16.11)	(26.27)
Balance at the end of the year	**625.17**	**608.04**

C. Movement in lease liabilities

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance at the beginning of the year	667.38	456.12
Additions	305.89	474.69
Deletions	(152.20)	(112.82)
Adjustment due to Rent Waivers	(0.63)	-
Finance cost accrued during the year	63.86	47.38
Finance cost accrued during the year - Discontinued Operations	5.59	10.32
Payment of lease labilities	(208.06)	(208.31)
Balance at the end of the year	**681.83**	**667.38**

D. Contractual maturities of lease liabilities on discounted basis are as follows:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than one year	145.31	158.52
One to five years	477.69	383.32
More than five years	58.83	125.54
Total	**681.83**	**667.38**

E. The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F. The amount recognised in the statement of profit or loss are as follows:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gain on Reassessment of Lease	7.61	13.07
Depreciation expense of right-of-use assets	174.82	139.63
Interest expense on lease liabilities	63.86	47.38
Rent expense - short-term lease and leases of low value assets	11.66	13.07

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For The Year Ended March 31, 2024

NOTE 35 : CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Group during the year	1.04	0.15
b) Set off of amount excess spent during the previous year	(0.19)	-
c) Net amount required to be spent by the Group during the year	0.84	0.15
d) Amount approved by the Board to be spent during the year	1.00	0.18
e) Amount spent during the year on,		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	1.00	0.34
f) Amount (excess spennt) / unspent during the year	(0.16)	(0.19)
g) Total of previous years shortfall	-	-
h) Reasons for shortfall	-	-
i) Details of related party transactions	-	-
Name	-	-
Relationship	-	-
Amount	-	-
j) Movement of CSR Provision	-	-
Balance as per last financial statements	-	-
Add: Provision made during the year	-	-
(Less): Utilised during the year	-	-
Balance at the end of the year	-	-

NOTE 36 : FAIR VALUE DISCLOSURES FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities		
Borrowings		
Carrying Amount	466.09	597.65
Fair Value	466.09	597.65

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

The fair value of borrowings is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

The fair value of Compulsorily Convertible Preference Shares is calculated considering Monte Carlo Simulation to arrive at conversion ratio and discounted cashflow method to arrive at Equity Value.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 37 : FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value					
Fair value through Other Comprehensive Income					
Foreign Exchange Forward Contracts (Cash Flow Hedge)	March 31, 2024	0.51	-	0.51	-
	March 31, 2023	0.84	-	0.84	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTE 38 : FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

"The Group's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments. The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

Within the various methodologies to analyse and manage risk, Group has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 50-basis points of the interest rate yield curves in all currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at respective period/year end including the effect of hedge accounting.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2024, approximately 0.11% of the Group's Borrowings are at fixed rate of interest (March 31, 2023: 0.50%)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	Effect on profit before tax
March 31, 2024	
Increase in 50 basis points	(2.45)
Decrease in 50 basis points	2.45
March 31, 2023	
Increase in 50 basis points	(2.98)
Decrease in 50 basis points	2.98

Exclusion from this analysis are as follows:

- Fixed rate financial instruments measured at cost : Since a change in interest rate would not change the carrying amount of this category of instruments, there is no net income impact and they are excluded from this analysis

- The effect of interest rate changes on future cash flows is excluded from this analysis.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, primarily in USD. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk. The Group may use forward contracts or foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate.

The Group manages its foreign currency risk by hedging appropriate percentage of its foreign currency exposure, as approved by Board as per established risk management policy. Details of the hedge & unhedged position of the Group given in Note 28.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's pre-tax equity is due to changes in the fair value of foreign currency monetary items designated as cash flow hedge.

₹ In Crores

Particulars	Change in USD rate	Effect on profit before tax	Change in EUR rate	Effect on profit before tax
March 31, 2024	+2%	0.18	+2%	(0.15)
	-2%	(0.18)	-2%	0.15
March 31, 2023	+2%	(1.85)	+2%	(0.02)
	-2%	1.85	-2%	0.02

Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 60 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7a. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. The Group monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the group adjusts its exposure to various counterparties. The Group's maximum exposure to credit risk for the components of the Balance sheet as is the carrying amount as disclosed in Note 28.

(c) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2024				
Interest bearing borrowings	457.55	11.09	-	468.64
Lease Liabilities	168.45	480.27	70.93	719.65
Trade payables	936.31	-	-	936.31
Security deposits from customers	0.60	117.64	-	118.24
Other financial liabilities#	50.69	-	-	50.69
	1,613.60	**609.00**	**70.93**	**2,293.53**
As at March 31, 2023				
Interest bearing borrowings	572.46	33.06		605.52
Lease Liabilities	172.92	491.44	30.82	695.18
Trade payables	1,019.50	-	-	1,019.50
Security deposits from customers	1.38	114.45	-	115.83
Other financial liabilities#	44.39	-	-	44.39
	1,810.65	**638.95**	**30.82**	**2,480.42**

Other financial liabilities includes interest accrued but not due of ₹ 12.46 Crores (March 31, 2023: ₹ 8.05 Crores)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

NOTE 39 : CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Interest-bearing loans and borrowings (Note 13)	466.09	597.65
Less: Cash and Cash equivalent (including other bank balance and Book Overdraft) (Refer Note 7(c), 7(d) and 13(c))	(168.55)	(202.78)
Net debt	**297.54**	**394.87**
Equity share capital (Note 11)	53.19	53.13
Other equity (Note 12)	950.10	856.51
Total capital	**1,003.29**	**909.64**
Capital and net debt	**1,300.83**	**1,304.51**
Gearing ratio	22.87%	30.27%

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements and other ratios. Breaches in meeting the financial covenants would permit the bank to charge penal interest. There have been no breaches in the financial covenants of any long-term borrowing in the current period except for one loan as of March 31, 2024. The Parent has obtained letter from the lender before the date of adoption of financial statements for not charging penal interest from the balance sheet date subject to regularisation of the breach by end of March 31, 2025. Accordingly, the management has not created provision for penal interest.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

NOTE 40 : DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS

Cash Flow Hedges

Foreign exchange forward contracts entered in the current year are designated as hedging instruments in cash flow hedges of forecast purchases in USD. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency purchases and changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the Dollar offset method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

₹ In Crores

Particulars	Maturity				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	Total
March 31, 2024					
Foreign exchange forward contracts for highly probable forecast purchases					
Notional amount (in INR in Crores)	27.58	50.75	74.58	41.17	194.07
Notional amount (in USD in Crores)	0.33	0.61	0.89	0.49	2.31
Average forward rate (INR/USD)	83.58	83.88	84.27	84.01	84.01

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

₹ In Crores

Particulars	Maturity				
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	Total
March 31, 2023					
Foreign exchange forward contracts for highly probable forecast purchases					
Notional amount (in INR in Crores)	22.14	41.06	66.31	43.82	173.32
Notional amount (in USD in Crores)	0.27	0.50	0.81	0.53	2.10
Average forward rate (INR/USD)	82.60	82.11	82.37	82.67	82.42

a. The impact of the hedging instruments on the balance sheet is as follows:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Cash flow hedge		
Foreign currency risk arising from	Purchases	Purchases
Nominal amount of hedging instruments	194.07	173.32
Carrying amount of hedging instruments		
Assets	-	0.84
Liabilities	0.51	-
Line item in balance sheet where hedging instrument is disclosed	Foreign Exchange Forward contracts (Cash flow hedge) under financial liabilities	"Foreign Exchange Forward contracts (Cash flow hedge) under Other assets"
Changes in fair value for calculating hedge ineffectiveness	NA	NA

b. The impact of the hedging item on the balance sheet is as follows:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Foreign currency risk arising from		
Changes in fair value for calculating hedge ineffectiveness	Purchases	Purchases
Balances in Cash flow hedge reserve:	NA	NA
For continuing hedge	(0.42)	0.56
For hedge no longer applied	-	-

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

c. The effect of the cash flow hedge in the Statement of profit and loss and other comprehensive income is as follows:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Foreign currency risk arising from	Purchases	Purchases
Hedged Gain/ (Loss) recognised in OCI	(0.97)	0.60
Hedge ineffectiveness recognised in profit and loss	-	-
Line item in Statement of profit and loss in which hedge ineffectiveness is recognised	NA	NA
Amount reclassified to Statement of profit and loss for which future cash flows are no longer expected to occur	NA	NA
Amount reclassified to Statement of profit and loss as hedged item has affected profit and loss	0.06	0.01
Line item in the Statement of profit and loss that includes reclassification adjustment	Miscellaneous Expenses	Miscellaneous Expenses

NOTE 41 : ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

(i) The Parent and Indian subsidiaries does not have any benami property held in their name. No proceedings have been initiated on or are pending against the Parent and Indian subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Parent and Indian subsidiaries has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(iii) The Parent and Indian subsidiaries has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(iv) Utilisation of borrowed funds and share premium

I. The Parent and Indian subsidiaries has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

II. The Parent and Indian subsidiaries has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Parent and Indian subsidiaries shall: a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries except as mentioned below.

(v) The Parent and Indian subsidiaries has not invested or traded in Crypto Currency or Virtual Currency during the year.

(vi) The Parent and Indian subsidiaries has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(vii) The Parent and Indian subsidiaries does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

NOTE 42 : DISCONTINUED OPERATIONS

"During the year ended March 31, 2024, the parent entered into Share Purchase Agreement (SPA) with Reliance Beauty & Personal Care Limited to sell and transfer entire equity stake held in Arvind Beauty Brands Retail Limited (ABBRL) (now known as Reliance Luxe Beauty Limited), at an enterprise value of ₹ 212.79 Crores (subject to true up adjustments based on closing period balances) towards sale of equity shares and repayment of loans.

Based on the ongoing reconciliation of closing period balance, estimated revised Enterprise value is ₹ 211.09 Crores. Accordingly Loss of sale of equity investment amounting to ₹ 40.06 Crores have been recognized in quarter ended December 31, 2023.

During the year ended March 31, 2024, parent has completed the reconciliation with Reliance and revised Enterprise value is ₹ 212.79 crores. Accordingly, loss on sale of equity investment is reduced by ₹ 1.69 crores. The parent has made a provision of equivalent amount towards the ongoing contingent matters related to ABBRL business prior to transfer date to be borne by the parent as per SPA.

ABBRL ceased to be a subsidiary from November 03, 2023.

The Management of Arvind Lifestyle Brands Limited (ALBL), a wholly owned subsidiary has decided to discontinue Brands Aeropostale and Ed Hardy. Accordingly, business of these brands are considered as a discontinued operation in accordance with Ind As 105 and accordingly, re-classified the financial results for the periods presented.

Details of Assets and liabilities related to discontinued brands classified as Held for Sale:

₹ In Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Assets		
Property, plant and equipment	-	-
Other financial assets	-	-
Inventories	-	-
Trade receivables	-	-
Other Current Assets	1.63	-
Total assets	**1.63**	**-**
Liabilities		
Trade payables	21.16	-
Other financial liabilities	11.68	-
Total liabilities	**32.84**	**-**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Results of discontinued operations for the year are presented below:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations		
Sale of products	213.00	346.64
Sale of Services	3.28	8.79
Other operating income	0.17	0.16
Total revenue from operations	**216.45**	**355.59**
Other income	96.10	2.17
Total income	**312.55**	**357.76**
Expenses		
Purchases of stock-in-trade	133.50	236.37
Changes in inventories of stock-in-trade	2.70	(6.42)
Employee benefits expense	13.99	24.20
Finance costs	11.30	17.41
Depreciation and Amortisation	19.13	35.67
Other expenses	101.20	72.77
Total expenses	**281.82**	**380.00**
Profit before tax	**30.73**	**(22.24)**
Tax expense		
(Excess)/short provision related to earlier years	0.18	-
Deferred tax charge	0.03	0.05
Profit after tax	**30.52**	**(22.29)**

Details of Net Cash Flows of discontinued operations for the year are presented below:

₹ In Crores

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net cashflows from operating activities	(8.16)	31.23
Net cashflows from investing activities	94.13	(5.35)
Net cashflows from financing activities	(24.78)	0.84
Net cash inflow / (outflow) from discontinued operations	**61.19**	**26.72**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 43 : INTEREST IN OTHER ENTITIES

(1) The Consolidated Financial Statements present the consolidated accounts of Arvind Fashions Limited with its subsidiaries

Sl. No.	Name of Entities	Country of Incorporation	Activities	Proportion of ownership of interest	
				March 31, 2024	March 31, 2023
	Subsidiaries				
1	Arvind Lifestyle Brands Limited	India	Branded Garments	100%	100%
2	Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited)	India	Beauty Products	0%	100%
3	Arvind Youth Brands Private Limited **	India	Branded Garments	68.75%	68.75%
4	Value Fashion Retail Limited *	India	Branded Garments	100%	100%
5	PVH Arvind Fashion Private Limited (previously known as Calvin Klein Arvind Fashion Private Limited)	India	Branded Garments	50%	50%

** Held by Arvind Lifestyle Brands Limited and Arvind Fashions Limited.
* Held by Arvind Lifestyle Brands Limited

Notes:

1) Parent has considered PVH Arvind Fashion Private Limited for consolidation in the consolidated financial statements of the Group even though the Parent has 50% ownership interest in the entity. Based upon contractual agreement between the Parent and other investor, the Parent has power to appoint the Chairman of the board of directors and has the power to direct the relevant activities. Therefore, the directors of the Parent concluded that they have the practical ability to direct the power to affect the relevant activities and thus, criteria for effective control are fulfilled.

NOTE 44 : DISCLOSURES MANDATED BY SCHEDULE III OF COMPANIES ACT 2013

Name of the Entities	2023-2024							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As a % of Consolidated Net Assets	₹ In Crores	As a % of Consolidated Profit	₹ In Crores	As a % of Consolidated OCI	₹ In Crores	As a % of Consolidated TCI	₹ In Crores
Parent :								
Arvind Fashions Limited	72%	2,303.84	-11%	(11.34)	7%	(0.17)	-11%	(11.51)
Subsidiaries :								
Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited)	0%	-	0%	-	0%	-	0%	-
Arvind Lifestyle Brand Limited	16%	512.54	19%	20.44	36%	(0.82)	19%	19.62
PVH Arvind Fashion Private Limited	11%	338.07	127%	136.51	51%	(1.20)	128%	135.31
Value Fashion Retail Limited	0%	(0.15)	0%	(0.25)	-1%	-	0%	(0.25)
Arvind Youth Brands Private Limited	2%	64.61	-35%	(37.48)	8%	(0.18)	-36%	(37.66)
Sub Total	**100%**	**3,218.91**	**100%**	**107.88**	**100%**	**(2.37)**	**100%**	**105.51**
Inter Company Eliminations and Consolidations Adjustment		2,215.62		27.24		(0.65)		26.58
Total		**1,003.29**		**80.64**		**(1.71)**		**78.92**
Non Controlling Interest in Subsidiaries		189.13		56.47		(0.66)		55.82
Grand Total		**1,192.42**		**137.11**		**(2.37)**		**134.74**

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

Name of the Entities	2022-2023							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As a % of Consolidated Net Assets	₹ In Crores	As a % of Consolidated Profit	₹ In Crores	As a % of Consolidated OCI	₹ In Crores	As a % of Consolidated TCI	₹ In Crores
Parent :								
Arvind Fashions Limited	73%	2,322.09	11%	9.86	59%	(0.44)	11%	9.42
	0%	**-**	**0%**	**-**	**0%**	**-**	**0%**	**-**
Subsidiaries :								
Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited)	0%	10.59	-23%	(19.90)	17%	(0.13)	-23%	(20.03)
Arvind Lifestyle Brand Limited	15%	492.15	4%	3.60	79%	(0.59)	3%	3.01
PVH Arvind Fashion Private Limited (previously known as Calvin Klein Arvind Fashion Private Limited)	9%	301.32	114%	100.50	-67%	0.50	115%	101.00
Value Fashion Retail Limited	0%	(0.10)	0%	(0.43)	0%	-	0%	(0.43)
Arvind Youth Brands Private Limited	3%	102.18	-6%	(5.30)	12%	(0.09)	-6%	(5.38)
Sub Total	**100%**	**3,228.23**	**100%**	**88.33**	**100%**	**(0.75)**	**100%**	**87.58**
Inter Company Eliminations and Consolidations Adjustment		(2,318.59)		(51.62)		(0.26)		(51.88)
Total		**909.64**		**36.71**		**(1.01)**		**35.70**
Non Controlling Interest in Subsidiaries		182.59		50.25		0.25		50.50
Grand Total		**1,092.23**		**86.96**		**(0.76)**		**86.20**

NOTE 45 : AUDIT TRAIL

The Ministry of Corporate Affairs(MCA) has issued a notification(Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, State that every Company which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled:

a) In case of one subsidiary incorporated in India, no audit (edit log) was enabled for certain software at database level.

b) In case of one subsidiary incorporated in India, no audit (edit log) was enabled for certain changes made using privileged/administrative access rights to the accounting software at database level.

Further no instance of audit trail feature being tampered with was noted for accounting software used by Parent and subsidiaries incorporated in India.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 46 : RATIO ANALYSIS *

Sl No	Particulars	Numerator	Denominator	For the year ended 31st March, 2024	For the year ended 31st March, 2023	% Variance	Reason for Variance
1	Current Ratio (In times)	Current Assets	Current Liabilities	1.27	1.20	6%	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	0.46	0.66	-29%	Note (a) below
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Tax, Depreciation and amortisation	Debt Service	2.97	3.84	-23%	Note (b) below
4	Return on Equity Ratio (%)	Net Profit after Tax	Total Equity	10.62%	12.01%	-12%	Not Applicable
5	Inventory turnover Ratio (In times)	Revenue from Operations	Average Inventories	4.50	4.49	0%	Not Applicable
6	Trade Receivables turnover Ratio (In times)	Revenue from Operations	Average Trade Receivables	7.06	7.19	-2%	Not Applicable
7	Trade Payables turnover Ratio (In times)	Purchase of Goods	Average Trade Payables	2.08	2.00	4%	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from Operations	Working Capital	9.1	10.9	-16%	Not Applicable
9	Net profit Ratio (%)	Net Profit after Tax	Revenue from Operations	2.50%	2.68%	-7%	Not Applicable
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Capital Employed	24.75%	21.15%	17%	Not Applicable
11	Return on investment (%)	Refer (c) below		62.11%	-1.33%	4757%	Note (d) below

* All Ratios have been worked out considering only continuing operations.

Notes :

(a) There is an improvement due to decrease in Debt for the year compared to previous year.

(b) Debt service coverage ratio is reduced in the current year due to reduction in Profit available for debt service compared to previous year.

(c) Return on Investment

(MV(T1)-MV(T0)-Sum[C(t)])
(MV(T0)+Sum[W(t)*C(t)])
Where,
T1 = End of time period
T0 = Begging of time period
t = Specific date falling between T1 and T0
MV(T1) = Market Value at T1
MV(T0) = Market Value at T0
C(t) = Cash inflow, cash outflow on specific date
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as (T1-t)/T1

(d) The impact is due to market dynamics and price movements.

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2024

NOTE 47 : CODE OF SOCIAL SECURITY, 2020

The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Group towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Group will access the impact of the Code and will record related impact in the period it becomes effective.

NOTE 48 : EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements.The Board of Directors recommended a final dividend of ₹ 1.25 per equity share of face value of ₹ 4 each, for the financial year ended March 31, 2024, subject to the approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai Chairman & Director DIN: 00008329	**Shailesh Chaturvedi** Managing Director &CEO DIN - 03023079	**Girdhar Chitlangia** Chief Financial Officer Place: Bengaluru	**Lipi Jha** Company Secretary Place: Bengaluru
Place : Ahmedabad Date: May 21, 2024	Place: Bengaluru Date: May 21, 2024	Place: Bengaluru Date: May 21, 2024	Place: Bengaluru Date: May 21, 2024

FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries and Controlled Joint Ventures

(₹ in Crores)

Sl. No.	Particulars	Name of the subsidiary				
		Arvind Lifestyle Brands Limited	Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited) (Upto November 2, 2023)	PVH Arvind Fashion Private Limited (Controlled Entity Jointly Owned with PVH BV)	Arvind Youth Brands Private Limited	Value Fashion Retail Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No	No
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR
3.	Share capital	157.5	8.94	5	112.7	0.01
4.	Reserves & surplus	355.04	-41.69	333.06	-48.09	-0.16
5.	Total assets	2214.13	245.45	794.76	401.46	0.04
6.	Total Liabilities	1701.59	278.2	456.69	336.85	0.19
7.	Investments	68.17	0	0	0	0
8.	Turnover (Total Income)	2179.22	216.34	1258.66	460.87	0
9.	Profit/(Loss) before taxation	20.89	-28.11	183.37	-36.91	-0.24
10.	Provision for taxation Charge/(Credit)	0.44	0.2	46.86	0.56	0
11.	Profit/(Loss) after taxation	20.45	-28.31	136.51	-37.48	-0.24
12.	Proposed Dividend #	0	0	98.56	0	0
13.	% of shareholding	100%	100%	50%	27.23%	100%

*Reserves & Surplus includes following component as mentioned below:
ALBL - ₹ 100 Cr of non-convertible debentures where it is entirely equity in nature
AYBPL –₹ 145.22 Cr of CCPS classified as other equity
#Proposed Dividend includes dividend paid during the year.

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

2. Names of subsidiaries which have been liquidated or sold during the year: Reliance Luxe Beauty Limited (Previously known as Arvind Beauty Brands Retail Limited)

Part "B": Associates and Joint Ventures – Not Applicable

For and on behalf of the board of directors of Arvind Fashions Limited

Sanjay S. Lalbhai
Chairman & Director
DIN: 00008329

Place : Ahmedabad
Date: May 21, 2024

Shailesh Chaturvedi
Managing Director &CEO
DIN - 03023079

Place: Bengaluru
Date: May 21, 2024

Girdhar Chitlangia
Chief Financial Officer
Place: Bengaluru

Place: Bengaluru
Date: May 21, 2024

Lipi Jha
Company Secretary
Place: Bengaluru

Place: Bengaluru
Date: May 21, 2024

ARVIND FASHIONS

ARVIND FASHIONS LIMITED,
Registered Office: Main Building,
Arvind Limited Premises, Naroda Road,
Ahmedabad, Gujarat -380 025.

Corporate Identity Number: L52399GJ2016PLC085595

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