BIBA FASHION LIMITED

(Formerly Known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Annual Report 2021-2022

BIBA

NOTICE FOR CALLING 20TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 20th Annual General Meeting of the members of **BIBA Fashion Limited,** will be held as per below schedule, to transact the businesses as mentioned herein below:-

Date	**:**	**25th July, 2022**
Day	**:**	**Monday**
Time	**:**	**4 p.m.**
Venue:		**Through Video-conferencing**

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone as well as Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint director in place of Mrs. Meena Bindra (DIN: 01627149), who retires by rotation and being eligible, offers herself for re-appointment.

By order of the Board of Directors
For BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

BIBA Fashion Limited

Date: 27.06.2022
Place: Gurugram

Sachin Agarwal
Company Secretary
M. No.: A17348

NOTES:

1. MCA vide General Circular No. 02/2022 dated 05.05.2022 read with General Circular no. 20/2020 dated 05.05.2020, General Circular no. 02/2021 dated 13.01.2021, General Circular No. 19/2021 dated 08.12.2021 and 21/2021 dated 14.12.2021 has extended the time limit for conducting AGMs through Video Conferencing Facility or Other Audio Visual Means till 31st December, 2022.

2. A member is entitled to attend and vote at the AGM via video conference.
3. The Members may join the AGM through VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. The facility to appoint proxy to attend and cast vote for the members is not available if the member attends the AGM through Video Conferencing Facility or Other Audio Visual Means.
5. Body corporate members are requested to send a certified copy of the board resolution authorizing their representative(s) to attend and vote at the meeting pursuant to provisions of Section 113 of the Companies Act, 2013.
6. The members are requested to intimate to the Company for changes, if any in their registered address.
7. A copy of documents referred to in the notice would be available for inspection to the members of the Company on any working day during the business hours.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

1. An Invitation to join the AGM will be sent to the Members on their registered email IDs latest by 22nd July, 2022.
2. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the steps and provide the required details (mentioned above – Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
3. In case of Android/Iphone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
4. Further, Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
5. 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.
6. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.

BIBA

BOARD REPORT

FINANCIAL YEAR 2021-22

BOARD REPORT

The Members
BIBA Fashion Limited

The Directors have pleasure in presenting the 20th Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended 31st March 2022.

Financial Performance

A brief summary of the audited financials of the Company for the Financial Year ended 31st March, 2022 is given below. The figures of the current Financial Year and previous Financial Year have been prepared in accordance with the Indian Accounting Standards ('Ind AS').

(Rs. in lakhs)

Particulars	Standalone performance		Consolidated performance	
	F.Y. 2021-22	F.Y. 2020-21	F.Y. 2021-22	F.Y. 2020-21
Revenue from operations	63037.20	52582.01	62924.08	52582.01
Other income	3400.15	4335.90	3400.67	4335.90
Total income	**66437.35**	**56917.91**	**66324.75**	**56917.91**
Less: Other expenses	52215.58	46326.01	52271.06	46329.22
Loss/Profit Before Interest, Depreciation, Taxes and Extra- ordinary Item	**14221.77**	**10591.9**	**14053.7**	**10588.69**
Less: Finance Cost	4224.11	4304.83	4224.67	4304.84
Less: Depreciation and Amortization	8183.01	8339.55	8198.30	8339.55
Loss/Profit Before Share of Net Profits of investments	**1814.65**	**(2052.48)**	**1630.72**	**(2055.70)**
Share of loss of associate	-	-	16	(21.63)
Loss/Profit Before Tax and Exceptional Item	**1814.65**	**(2052.48)**	**1646.72**	**(2077.33)**
Less: Exceptional Item	0	173.28	0	0.77
Loss/Profit before tax	**1814.65**	**(2225.76)**	**1646.72**	**(2078.10)**
Less: Current Tax	321.94	0	321.94	(408.31)
Less: Deferred Tax	92.73	(889.08)	96.57	(485.86)
Loss/Profit before other comprehensive income	**1399.98**	**(1336.68)**	**1228.21**	**(1183.93)**
Add: Profit from Associate Company	-	-	-	-
Add: Other comprehensive income, net of tax	14.08	(7.38)	13.34	(5.63)
Net Profit/Loss	**1414.06**	**(1344.06)**	**1241.55**	**(1189.56)**
Earnings Per Share: Basic and diluted	**1.12**	**(1.08)**	**0.98**	**(0.96)**

State of Company's Affairs

The Business of the company during the Financial Year (FY) 2021-22 has shown good recovery in spite of the fact that the COVID-19 pandemic continued to impact our operations in first quarter. Government-imposed lockdowns during Q1 FY 22 and other restrictions on business operations like restrictions on operating office with reduced staff led to the disruption of our regular business operations including the temporary closure of many of our EBOs (Exclusive Brand Outlets) and LFSs (Large Format Stores) which led to drop in sales in offline retail channels during FY 2021-22. However, we leveraged these situations to review and optimize on our internal processes during this period to drive long-term cost efficiencies on fixed overheads and driving revenue by focusing on online channel. We focused on leveraging our investments in online business through our own website and also deep relationships with leading online marketplace portals like Myntra, Amazon, and Flipkart. We have rationalized our costs across our operations including increasing control of our overheads and increasing our human resources efficiencies, which enabled the company to achieve decent growth as compared to last financial year.

During the year under review, the Revenue from Operations of the Company has increased to **INR 63037.20 Lakhs** in the FY 2021-22 from **INR 52582.01 Lakhs** in the F.Y. 2020-21. The total income of the Company for the FY 2021-22 stands at **INR 66437.35 Lakhs** as compared to the total income of the previous Financial Year **INR 56917.91 Lakhs**. The Company has posted Operating Profits (EBITDA) of **INR 10821.62 Lakhs** in FY 2021-22. The Profit after Tax (PAT) of the Company in the current FY 2021-22 stands at **INR 1399.98 Lakhs** as against Loss of **INR 1336.68 Lakhs** in the Previous Financial Year.

The company has recorded revenue of INR 19316.50 Lakhs through online channels sales. The revenue from the online channel sales is approx. 30% of overall revenue from operations of the Company, which is amongst the highest proportions in the industry for financial year 2021-22. We believe that the potential we have built by digitally orienting our business model has given us a competitive advantage and will continue to help us in identify and exploit the fast evolving consumer trends. Our flagship brand, BIBA, also has the highest online brand recall amongst Indian wear brands, as of February 2022.

As at 31st March 2022, we had 436 EBOs, comprising 318 BIBA-branded outlets and 118 Rangriti-branded outlets PAN India basis. During the year under review, in spite of COVID 19 induced lockdown and adverse impact on operations, the Company has added 75 new stores for BIBA and Rangriti, out of which 29 are on Franchise Model. The Company has shut 39 stores due to non-viability of operations in certain locations during the year.

While our primary focus has remained on our domestic business, given the large market opportunity within India, we believe that overseas markets can be a lucrative growth vector for us, particularly in markets which we believe have a large Indian diaspora and/or a population with similar tastes and preferences, as in India. As of March 31, 2021, our products were available in stores in two overseas countries, Canada and Nepal, however, during financial year 2021-2022, we opened four stores in the United Arab Emirates (3 for BIBA and one for Rangriti). We also plan to open our first EBO in the United States at the end of the first quarter of financial year 2023.

Information about Subsidiary/Joint Venture and Associate Company and their performance highlight

As on 31st March 2022, the Company has two Subsidiaries Company namely "IMA Clothing Private Limited" and "BIBA Apparels Trading LLC" and one Associate Company namely "Anjuman Brand Design Private Limited". During the financial year ended on 31st March, 2022, the Company has added one Subsidiary Company in UAE namely BIBA Apparels Trading LLC, however, there is no change in associate or joint venture, of the Company.

The audited consolidated financial statements are provided as part of the Annual Report in accordance with Accounting Standards (IND-AS) pertaining to consolidated financial reporting. These statements have been prepared on the basis of the financial statements received from the subsidiaries and associate companies as approved by their respective Board of Directors. A report on the performance and financial position of the Subsidiaries and Associate Company as per Section 129(3) of the Companies Act, 2013 is provided in Form AOC-1 **'Annexure-1'** forming part of the financial statements and hence not repeated herein for the sake of brevity.

Change in Nature of Business, if any

There is no change in the nature of business during the financial year 2021-22. However, the Company is in the process of expanding its business, therefore, the Company amended its object clause by way of addition of some other business activities. The company has taken the approval from the members in the Extraordinary General Meeting of the Company held on March 15, 2022, to make alteration in the object clause by adding the following business activities in the main object clause (clause 5, 6 and 7) of the Memorandum of Association of the Company.

5. To buy, sell, import, export, distribute and otherwise deal in all kinds and varieties of cosmetics, health care products, oleoresins, beauty and skin care products, perfumes, colognes and tools related to beauty parlours and to act as a purchasers, sellers, blenders, makers, researchers and dealers in cosmetics, perfumes, scents, sprays, nail polish, fragrances, powders, lavenders, hair oils, herbals, creams, ayurvedic and intermediates and their raw materials and to run retail operations in the following categories of business - beauty products and services, apparels and lifestyle products for betterment of body and beauty care, to carry on in India or elsewhere the business to establish, run, manage, construct, build, take on hire or lease, maintain, organise, promote, provide, acquire, buy, sell, franchise, convert, develop, erect, and to handle chain of such retail and beauty shops.

6. To carry on, either directly or providing facilities for others, the business of manufacturers and traders, exporters and importers whether wholesale or retail of all kinds of stationery items, gifts, all kind of gift bags, Gift wrapping paper, Note books, Diaries, fun books, learning books, Gift card, Gift tag, Gift envelope, soft toys, and other goods made of fabric, and all accessories related to above class of products.

7. To carry on the business of manufacturing, importing, exporting, and preparing garments, coverings, coated fabrics, textiles, hosiery and silk or merchandise of every kind and description from or with Knitting, yearn, cloth fabric, weaving other such kinds of process by whatever name called.

Dividend

Considering the pandemic situation and financial position of the Company including liquidity constraints and cash flow position, Directors do not recommend any dividend for the F.Y. 2021-22.

Transfer to Reserves

The Directors have decided not to transfer any amount to the general reserve for the Financial Year ended 31st March, 2022.

Transfer of Unclaimed dividend to Investor Education and Protection Fund

The Company is not required to transfer unclaimed dividend to Investor Education and Protection Fund as per the provisions of Section 125(2) of the Companies Act, 2013 as the same is not applicable to the Company.

Share Capital

During the Financial Year ended 31st March, 2022, there have been no alteration in the share capital of the Company.

Secretarial Audit

M/s Ranjeet Pandey and Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2021-22 as required under Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended, 31st March 2022 under Form MR-3 as provided by M/s. Ranjeet Pandey and Associates, Practicing Company Secretaries forms part of Director Report as Annexure 7. There are no qualifications or adverse remarks in the Secretarial Audit Report which require any clarification/ explanation. The Report confirms that during the period covered by the audit, the Company has complied with the statutory provisions listed under Form MR-3 and the Company has proper processes and compliance mechanism in place.

Cost Audit and Cost Records

The nature of the business does not require to undergo any cost audit as per the companies Act 2013, therefore the company has not appointed any cost auditor during the financial year 2021-22. The Company was also not required to maintain any cost records as specified by the central government under sub section (1) of section 148 of Companies Act, 2013.

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s S.R. Batliboi & Co LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), Statutory Auditors of the Company, were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office till the conclusion of the 24th Annual General Meeting of the Company on such remuneration as may be decided.

Auditors' Report

The notes on financial statements referred in the Auditors' Report are self-explanatory in nature and do not call for any further comments. The report does not contain any qualification, reservation or adverse remarks, except, an observation identified by the Statutory Auditor mentioned in Clause (ii)(b) of CARO, which relates to mismatch in Quarterly returns/statements filed by the Company with banks and financial institutions. In this respect, your director would like to clarify that the Bank returns were prepared and filed before the completion of all financial statement closure activities including IND AS related adjustment/reclassification, as applicable, which led to these differences between the final books of accounts and the bank returns which were based on unaudited provisional books of accounts. Except the said observation, there were no other adverse remarks in the Auditors' Report or ICFR, and the Notes to Accounts were self-explanatory.

Internal control systems and Risk Management

The company has an adequate Internal Control System and Risk Management procedure to monitor the risks and their mitigating actions. The Company has developed procedures to assess the risk associated with the company and minimization thereof and periodically informed the Board of Directors for their review to ensure that the executive management controls the risk in accordance with defined policies and procedures adopted by the company. This is to further inform the members that that the company has taken suitable and appropriate measures to mitigate the observations relating the weak internal controls in respect of rental payment which was reported by the Auditor in the FY 20-21.

The Board of Directors of the company engaged M/s O. P. Bagla & Co LLP, Chartered Accountants, as Internal Auditors of the Company for Financial Year 2021-22 to conduct Internal Audit. The Internal Auditors independently evaluated adequacy of internal controls and audited the transactions undertaken by the Company. The Board of Directors regularly reviewed the adequacy and effectiveness of internal Control and monitored implementation of Internal Audit observations.

Details of Board Meeting and General Meetings

During the financial year ended 31st March, 2022, 6 Board meetings were held on 18.05.2021, 09.09.2021, 29.11.2021, 08.02.2022, 10.03.2022 and 31.03.2022.

The attendance record of the directors in the respective meetings is as under:

S. No.	Name of Director/ Member of Board	Total No. of Meetings entitled to attend	No. of Meeting attended	% of Attendance
		Board Meeting		
1	Meena Bindra	6	6	100
2	Siddharath Bindra	6	6	100
3	Anish Saraf	6	4	66.66
4	Sameer Mohan Shroff	4	4	100
5	Pradeep Banerjee	1	1	100
6	Saurabh Modi	1	1	100
7	Gagan Makar Singh	1	1	100

General Meeting

During the financial year ended 31st March, 2022, three General Meeting were held on the following dates:

S. No.	Date of Meeting	Type of Meeting
1	29.11.2021	Annual General Meeting
2	11.02.2022	Extra-Ordinary General Meeting
3	15.03.2022	Extra-Ordinary General Meeting

Directors and Key Managerial Person

During the financial year ended 31st March, 2022 there has been following changes in the Directors/ KMPs of the Company.

Sr. No.	Name	Designation	Date of Appointment	Date of cessation	Appointment/ Cessation
1	Mr. Sameer Mohan Shroff	Nominee Director	20.09.2013	08.02.2022	Resignation
2	Pradeep Banerjee	Additional Director	10.03.2022	N.A.	Appointment
3	Gagan Makar Singh	Additional Director	10.03.2022	N.A.	Appointment
4	Saurabh Modi	Additional Director	10.03.2022	N.A.	Appointment
5	Pradeep Banerjee	Independent Director	15.03.2022	N.A.	Regularization and Change in Designation from additional Director to Independent Director
6	Gagan Makar Singh	Independent Director	15.03.2022	N.A.	Regularization and Change in Designation from additional Director to Independent Director
7	Saurabh Modi	Independent Director	15.03.2022	N.A.	Regularization and Change in Designation from additional Director to Independent Director
8	Mrs. Meena Bindra	Executive Director	10.03.2022	N.A.	Change in Designation from Director to Executive Director

CORPORATE GOVERNANCE

Committees of the Board

The status of the Company has been converted from Private Limited to Public Limited on 2nd March 2022, therefore, the Company it is required to constitute various committees of Board of Directors under Corporate Governance. The Board of Directors in their meeting held on March 10, 2022 constituted 6 (Six) new Committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee, IPO Committee, Management Committee and Risk Management Committee, and also re-constituted Corporate Social Responsibility Committee, in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Composition of these Committees is as under: -

Audit Committee		
Name of the Director	**Designation**	**Position held in Committee**
Ms. Gagan Singh	Independent Director	Chairperson
Mr. Saurabh Modi	Independent Director	Member
Mr. Siddharath Bindra	Managing Director	Member
Nomination & Remuneration Committee		
Name of the Director	**Designation**	**Position held in Committee**
Mr. Saurabh Modi	Independent Director	Chairman
Ms. Gagan Singh	Independent Director	Member
Mr. Pradeep Banerjee	Independent Director	Member
Stakeholder Relationship Committee		
Name of the Director	**Designation**	**Position held in Committee**
Ms. Gagan Singh	Independent Director	Chairperson
Mr. Pradeep Banerjee	Independent Director	Member
Mr. Siddharath Bindra	Managing Director	Member
IPO Committee		
Name of the Director	**Designation**	**Position held in Committee**
Mr. Siddharath Bindra	Managing Director	Chairman
Mr. Anish Saraf	Nominee Director	Member
Risk Management Committee		
Mr. Siddharath Bindra	Managing Director	Chairman
Mr. Saurabh Modi	Independent Director	Member
Ms. Gagan Singh	Independent Director	Member
Management Committee		
Name of the Director	**Designation**	**Position held in Committee**
Mr. Siddharath Bindra	Managing Director	Chairman
Mrs. Meena Bindra	Executive Director	Member
Mr. Vikram Nagpal	CFO	Member

Re-Constitution of Corporate Social Responsibility Committee

Mr. Sameer Shroff, the Director and member of **Corporate Social Responsibility Committee** has resigned from the company as on 08.02.2022, therefore the company has reconstituted the Corporate

Social Responsibility Committee on 10.03.2022. The Composition of the Corporate Social Responsibility Committee is as under: -

Name of the Director	Designation	Position held in Committee
Mr. Siddharath Bindra	Managing Director	Chairman
Mr. Saurabh Modi	Independent Director	Member
Mr. Pradeep Banerjee	Independent Director	Member

Committee Meetings:

During the financial year ended 31st March, 2022, one meeting of CSR Committee held on 09.09.2021 and one meeting of Audit Committee held on 31.03.2022.

The attendance record of the directors in the respective meetings is as under:

S. No.	Name of Director/ Member of Board	Total No. of Meetings entitled to attend	No. of Meeting attended	% of Attendance
CSR Committee Meeting (09.09.2021)				
1	Meena Bindra	1	1	100
2	Siddharath Bindra	1	1	100
3	Sameer Mohan Shroff	1	1	100
4	Saurabh Modi	NA	NA	NA
5	Pradeep Banerjee	NA	NA	NA
Audit Committee Meeting (31.03.2022)				
1	Gagan Makar Singh	1	1	100
2	Siddharath Bindra	1	1	100
3	Saurabh Modi	1	1	100

Policies

The Board of Directors have approved and adopted various policies to ensure corporate governance as follows:

a) Familiarization Programme for Independent Directors.
b) Remuneration Policy
c) Risk-Management Policy
d) Board Diversity Policy
e) Business Responsibility Policy
f) Policy on related party transactions
g) Prohibition of Insider trading code

All above policies have been placed on the website of the Company www.biba.in"

Code of Conduct for Directors and Senior Management

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company. Additionally, all Independent Directors of the Company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Annual Performance Evaluation of Chairman, Board, its Committees and Individual Directors

The status of the Company was Private Limited till 02nd March 2022, therefore, it is not required to do any performance evaluation of Board of Directors or Committees, or the Chairman.

Statement on declaration given by independent directors under section 149(6) of companies act, 2013

All Independent Directors have given declarations under section 149(7) that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Rules made thereunder to be read with SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015.

Particulars of Contracts or Arrangements with Related Parties

All Related Party transactions entered into by the Company were in the ordinary course of business and on arm's length basis. The particulars of contracts or arrangements with related parties referred in Section 188(1) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 2 is annexed as **'Annexure-4'** to this Report. The Board of Directors have also adopted policy for Related Party Transactions which is duly approved by the Audit Committee.

Corporate Social Responsibility

The concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavor to uplift the downtrodden state of the society. With a view to help growth of the society and the company at large, the Company has a structured CSR Policy, formulated under the provisions of the Companies Act, 2013. The Company also has in place a CSR Committee duly constituted in accordance with the requirements of Section 135 of the Companies Act, 2013 read with rules made thereunder, as amended, to formulate and monitor the CSR policy of the Company.

In terms of provisions of Section 135 of the Companies Act, 2013 & Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, the Annual Report on CSR activities for FY 2021-2022 is annexed as **'Annexure-5'**.

Vigil Mechanism

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In line with the BIBA Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the COC cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimization of persons who use this mechanism. This policy is approved by Board of Directors and the Audit Committee as well.

DIRECTOR RETIRE BY ROTATION

Pursuant to Section 152 of Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mrs. Meena Bindra, Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors recommend her re-appointment.

DEPOSITS

The Company has neither accepted nor renewed any deposits within the meaning of Section 73 of Companies Act, 2013 and, as such, no amount of principal or interest was outstanding as of 31st March, 2022.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year ended 31st March, 2022 particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 are set out at **'Annexure-2'** which forms part of this report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF COMPANY

- During the FY'2021-22, the status of Company has been changed from a Private Limited Company to Public Limited company w.e.f. 02.03.2022. In pursuant of the conversion of the Company from private limited to public limited, the name Clause of the Memorandum of Association was amended and fresh Articles of Association were also adopted. Further, name of the Company has changed from "BIBA Apparels Private Limited" to "BIBA Apparels Limited" and CIN of the Company has also changed from "U74110HR2002PTC083029" to "U74110HR2002PLC083029".

- The name of the Company was further changed from "BIBA Apparels Limited" to "BIBA Fashion Limited", w.e.f. 25.03.2022. In pursuant of the name change of the Company, the name Clause of the Memorandum of Association was amended and the name was changed to BIBA Fashion Limited.

- Pursuant to the amendment of the Shareholders Agreement dated 14.09.2013 executed between the Promoters and the existing Investors (Highdell Investment Limited and Faering Capital India Evolving Fund), to capture the amendments in the articles, and further to adopt the articles in consonance of the stock exchanges requirement and provisions of companies act considering proposed public offer, the Company has adopted the new set of Articles of Association on 07th April'22 in Part A and Part B. Part A shall be applicable once the Company goes public and get listed and Part B shall be applicable till the listing of the company.

- The Company has also changed its object clause by way of addition some additional activities in the object clause. The company has taken the approval of members in the Extraordinary General Meeting of the Company held on March 15, 2022 to make alteration of the object clause of MOA.

- The Company has filed DRHP with SEBI and Concerned stock exchanges on 11th April'22.

At the date of presentation of Board Report, there have been no other material changes and commitments from the date of closing of the financial year 31st March, 2022 up to the date of presentation of Board Report, which may have material impact on the financial position of the Company in any manner.

DISCLOSURE ABOUT ESOP SCHEME

Pursuant to the provision of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies Rules, 2014, and the company has issued Employee Stock Option Scheme in 2018, and same has been amended in the Extra Ordinary General Meeting of the Company held on 09.12.2019 and 15.03.2022. The salient features of amended BIBA ESOP Plan is as under:-

Total number of stock options that may be granted to employees	12,50,000 Shares
Criteria for Identification of the Employees	a. Permanent Employee (in India or Outside India) b. Director excluding Independent Director But does not include (i) Promoter or Promoter Group (ii) Director or his relative holding 10% of equity share of company
Period of Vesting	Minimum 1 year from Grant Date Maximum 6 year from Grant Date Vesting period may vary from employee to employee based on his tenure in the company, however in no case it will be less than one year form the grant date.

Exercise Price	Fair Market Value of the preceding year on which option is granted. The Board/NRC may grant options at a discounted prices as it may deem fit.
Exercise Period	From date of vesting till end of 5 years from date of vesting **or** Till the last day of Optionee on payroll **(whichever is earlier)**
Administration of Plan	By Nomination and Remuneration Committee under the framework laid by Board of Directors
Lock In Period	No Lock in Period
Lapse of vested option	• Non-exercise of Options • Termination of employment due to misconduct
No. of Options Granted	165000 options (Upto 31.03.2022)
Options Vested	NIL
Options Exercised	NIL
The total number of shares arising as a result of exercise of Option	NIL
Options Lapsed	60,000
Variation of terms of Options	Yes. In EGM held on 15.03.2022
Money realized by exercise of options	NIL
Total number of options in force	1,05,000 (upto 31.03.2022)
Employee wise details of options granted to:	
• **Key managerial personnel**	3 Employees (Options already granted upto 31.03.2022) 1. Mr. Ramit Pal Singh (SVP & Chief Sourcing Officer) 2. Mr. Vikram Nagpal (CFO) 3. Mr. Lokesh Mishra (VP & Head Business Development & Footwear)
• **Any other employee who receives a grant of options in any one year of Option amounting to 5% or more options granted during the year.**	NIL
• **Identified employees who were granted option, during the one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.**	NIL

Details of the employees whom options were issued and are in force upto 31.03.2022

Name of Employees	Exercise Price (INR)	No of Options Granted	Effective Date of Grant	Vesting Dates and % of Vested Options		
				1st Date	2 Date	3 Date
Ramit Pal Singh	167.64	50,000	01-04-2020	01-04-2022-30%	01-04-2023-30%	01-04-2024-40%
Vikram Nagpal	167.64	30,000	15-10-2020	15-10-2023 - 30%	15-10-2024 - 30%	15-10-2025 - 40%
Lokesh Mishra	167.64	25,000	06-01-2021	06-01-2024 - 30%	06-01-2025 - 30%	06-01-2026 - 40%

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS, IMPACTING THE GOING CONCERN STATUS AND COMPANY OPERATION IN FUTURE

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

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with rules made thereunder, extract of Annual Return of the Company in the prescribed Form - MGT 9 is annexed as **'Annexure-3'** to this Report.

PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS.

Not Applicable.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO

The information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014 is set out at **'Annexure-6'** which forms part of this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Trainees) are covered under this policy.

The following is a summary of Sexual Harassment Complaints received and disposed of during the year 2021-2022:

Number of Complaints Received	0
Number of Complaints Disposed of	0

MANAGERIAL AND KMP REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as Annexure-3.

STATEMENT OF PARTICULARS OF EMPLOYEES

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure 7, forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review, Company has complied with all applicable secretarial standards issued by the "Institute of Company Secretaries of India" and approved by the Central Government pursuant to Section 118 (10) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, confirm that they have taken all reasonable steps, as are required, to ensure that:

(a) the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgements 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 of the company for that period;

(c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a 'going concern' basis; and

(e) proper systems have been devised to ensure compliance with the provisions of all applicable laws (including applicable Secretarial Standards) and that such systems were adequate and operating

ORDER OF COURT/REGULATOR/TRIBUNALS

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation. However, Members attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes forming part of the Financial Statement.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.

ACKNOWLEDGEMENT

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the shareholders, employee unions, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management.

Further, the Board of Directors hereby promises to uphold the Company's commitment towards acting with honesty, integrity and respect and to be responsible and accountable to all the stakeholders of the Company.

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

SBindra	Meena Bindra
Siddharath Bindra	**Meena Bindra**
Managing Director	**Director**
DIN: 01680498	**DIN: 01627149**

Date: 27-06-2022
Place: Gurugram

ANNEXURE-1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 read with Companies (Accounts) Amendment Rules, 2016)

Part "A": Subsidiaries

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

(Information in respect of each subsidiary to be presented with amounts in Rs. in lakhs)

(i) IMA Clothing Private Limited

S. No.	Particulars	Particulars
1	**Name of the subsidiary**	**IMA Clothing Private Limited**
2	The date since when subsidiary was acquired or incorporated	17/09/2012
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
6	Share capital-Equity Shares	172.04 Lakhs
7	Share Capital- Non cumulative compulsorily convertible preference shares	80 Lakhs
7	Reserves and surplus	(832.56) Lakhs
8	Total assets	2.26 Lakhs
9	Total Liabilities	582.78 Lakhs
10	Investments	NIL
11	Turnover	NIL
12	Profit/ Loss before taxation	(1.09) Lakhs
13	Provision for taxation	NIL
14	Profit/ Loss after taxation	(1.09) Lakhs
15	Proposed Dividend	NIL
16	Extent of shareholding (in percentage)	Class A – 50.99% Class B - 100% CCPS - 100%

Note:

1. Name of subsidiaries which are yet to commence operations- NA
2. Name of subsidiaries which have been liquidated or sold during the year- NA
3. Share Capital includes Rs. 2,04,080/- (Class A) & Rs. 1,70,00,000/- (Class B- No dividend & no voting rights) equity share capital of IMA Clothing Private Limited including equity component of Rs. 80,00,000/- compulsory convertible preference shares (CCPS) issued by the subsidiary company.

4. Based on effective shareholding i.e. 50.99% of Class A equity shares held by the Company in IMA Clothing Private Limited.
5. Figures in bracket indicates negative balance.

(ii) Biba Apparels Trading L.L.C

S. No.	Particulars	Particulars
1	**Name of the subsidiary**	**Biba Apparels Trading L.L.C**
2	The date since when subsidiary was acquired or incorporated	10/10/2021
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED
6	Share capital-Equity Shares	1,00,000
7	Share Capital- Non cumulative compulsorily convertible preference shares	NIL
7	Reserves and surplus	(398262)
8	Total assets	4265331
9	Total Liabilities	4563593
10	Investments	NIL
11	Turnover	525239
12	Profit/ Loss before taxation	(398262)
13	Provision for taxation	NIL
14	Profit/ Loss after taxation	(398262)
15	Proposed Dividend	0
16	Extent of shareholding (in percentage)	100%

Note:

1. The Figures shown in the table are absolute figures in AED.
2. Name of subsidiaries which are yet to commence operations- NA
3. Name of subsidiaries which have been liquidated or sold during the year- NA
4. Figures in bracket indicates negative balance.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of associates/Joint Ventures	Anjuman Brand Designs Private Limited
1	Latest audited Balance Sheet Date	31st March, 2022
2	Date on which the Associate or Joint Venture was associated or acquired	25th September, 2014
3	Shares of Associate or Joint Ventures held by the company on the year end	Rs. 8.55 Lakhs
4	Amount of Investment in Associates/Joint Venture (In Lakhs)	Rs. 615.06 Lakhs
5	Extend of Holding %	36.82%
6	Description of how there is significant influence	There is significant influence Due to percentage of shareholding
7	Reason why the associate/joint venture is not consolidated	Share of associate is considered for consolidation and hence same is not applicable
8	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 145.77 Lakhs
9	Profit or Loss for the year	
	i. Considered in Consolidation	Rs. 15.26 Lakhs
	ii. Not Considered in Consolidation	Rs. 26.18 Lakhs

Note:

1. Name of associates/joint ventures which are yet to commence operations- NA
2. Name of associates/joint ventures which have been liquidated or sold during the year- NA

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Siddharath Bindra
Managing Director
DIN: 01680498

Meena Bindra

Meena Bindra
Executive Director
DIN: 01627149

Date: 27.06.2022
Place: Gurugram

ANNEXURE-2

Particulars of Loan, Guarantees or investments under Section 186 (Pursuant to clause (g) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Amount in Rs.

Name of Person / Body Corporate	IMA Clothing Private Limited	BIBA Apparels Trading LLC	BIBA Apparels Trading LLC
Nature of Transaction (Loan / Guarantee/ Acquisition)	Loan given	Advance to vendors on behalf of BIBA Apparels Trading LLC	Investment by way of subscription of Shares
Particulars of Loan given / Investment made or Guarantee Made			
Opening Balance as on 01.04.2021	5,80,00,949	NIL	NIL
Additional Loan Given/ Investment Made during the FY 2021-22	2,08,522	5,85,10,833	20,24,000
Total	**5,82,09,471**	**5,85,10,833**	**20,24,000**
Amount of Loan Written off during the FY 2021-22	NIL	NIL	NIL
Balance at the end of Financial Year 2021-22	**5,82,09,471**	5,85,10,833	20,24,000

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

	Siddharath Bindra	**Meena Bindra**
	Managing Director	**Director**
Date: 27.06.2022	**DIN: 01680498**	**DIN: 01627149**
Place: Gurugram		

ANNEXURE-3

Form MGT-9

Extract Of the Annual Return

As on the financial year ended on 31st March, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1) REGISTRATION AND OTHER DETAILS:

1	**CIN**	U74110HR2002PLC083029
2	**Registration Date**	10th July, 2002
3	**Name of the company**	BIBA Fashion Limited (Formerly Known as BIBA Apparels Limited and BIBA Apparels Private Limited)
4	**Category**	Company limited by shares
5	**Address of the Registered Office & Contact details**	13th Floor, Capital Cyber Scape, Sector-59, Golf Course Extension Road, Gurugram -122102, Haryana, India
6	**Whether listed company**	No
7	**Name, Address, and contact Details of the Registrar and Transfer Agent**	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400078

2) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

S. No.	Name and description of main products	NIC Code of the Product	% to total turnover of the company
1	Textile Garments and Clothing Accessories	14101	99.91%

3) PARTICULARS OF HOLDING, SUBSDIARY AND ASSOCIATE COMPANY:

S. No.	Name and description of main products	CIN/Registration No.	NIC Code of the Product	% of shares held	Applicable Section
1	**IMA Clothing Private Limited** **Category** - Subsidiary Company **Business Activity** - Textile Garments and Clothing Accessories	U18109DL2012PTC241536	14101	50.99	2 (87)
2	**BIBA Apparels Trading L.L.C** **Category** - Subsidiary Company **Business Activity** – Trading of Apparels and Accessories	1613851 (Registration No.)	N.A. (Foreign Subsidiary)	100	2 (87)
3	**Anjuman Brand Designs Private Limited** **Category** -Associate Company **Business Activity** -Textile Garments and Clothing Accessories	U17120DL2014PTC270595	14101	36.82	2 (6)

4) SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity):

a. Category -wise Share Holding:

S. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	Shareholding of Promoter and Promoter Group									
1.	Indian									

	Individuals/ Hindu Undivided Family	66461583	Nil	66461583	53.14	66729846	Nil	66729846	53.36	0.22
	Central Government/ State Government (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Bodies Corporate	14435000	Nil	14435000	11.55	14236737	Nil	14236737	11.39	-0.16
	Bank(s)/ Financial Institution (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Any Others (Specify)- Directors and their relatives	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (A)(1)	**80896583**	**Nil**	**80896583**	**64.69**	**80966583**	**Nil**	**80966583**	**64.75**	**0.06**
2.	**Foreign**									
	a. NRI- IND/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b. Other Ind.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	c. Body Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	d. Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	e. Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	Sub Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Shareholding of Promoter and Promoter Group (A)	**80896583**	**Nil**	**80896583**	**64.69**	**80966583**	**Nil**	**80966583**	**64.75**	**0.06**
(B)	**Public Shareholding**									
1.	**Institutions**									
	Mutual Funds/ UTI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Financial institution/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Venture Capital Funds	5586250	Nil	5586250	4.47	5586250	Nil	5586250	4.47	Nil
	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Foreign Venture Capital Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	Sub Total (B)(1)	**5586250**	**Nil**	**5586250**	**4.47**	**5586250**	**Nil**	**5586250**	**4.47**	**Nil**
2.	**Non- Institutions**									
(a)	Bodies Corporate									
	Indian	537250	Nil	537250	0.43	537250	Nil	537250	0.43	Nil
	Overseas	36847750	Nil	36847750	29.46	36847750	Nil	36847750	29.46	Nil
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	ii. Individual shareholder holding nominal share capital in excess of Rs 1 lakhs.	1195000	Nil	1195000	0.96	1125000	Nil	1125000	0.90	-0.06
(c)	Any other (Specify)									
	Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Foreign Bodies -DR	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(2)	**38580000**	**Nil**	**38580000**	**30.85**	**38510000**	**Nil**	**38510000**	**30.79**	**-0.06**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**44166250**	**Nil**	**44166250**	**35.32**	**44096250**	**Nil**	**44096250**	**35.26**	**-0.06**
(C)	**Shares held by Custodians for GDRs & ADRs**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	GrandTotal A+B+C	125062833	**Nil**	125062833	**100.00**	125062833	**Nil**	125062833	**100.00**	**Nil**

b. <u>Shareholding of Promoters:</u>

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shares during the year
		No. of Shares	% of total shares of company	% of Shares Pledged encumbered to total shares	No. of Shares	% of total shares of company	% of Shares Pledged encumbered to total shares	
1.	Siddharath Bindra	50049500	40.02	Nil	56501213	45.18	Nil	5.16
2.	Meena Bindra	12662083	10.12	Nil	6478633	5.18	Nil	-4.94
3.	Shradha Bindra	3750000	3	Nil	3750000	3	Nil	Nil
4.	Dhanwan Impex (P) Ltd.	10000000	8	Nil	10000000	8	Nil	Nil

5.	Kaveri Tradex (P) Ltd.	4435000	3.55	Nil	4236737	3.39	Nil	-0.16
	Total	**80896583**	**64.69**	**Nil**	**80966583**	**64.75**	**Nil**	**0.06**

c. Change in Promoter Shareholding

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year				
	Siddharath Bindra Meena Bindra Shradha Bindra Dhanvan Impex (P) Ltd. Kaveri Tradex (P) Ltd.	50049500 12662083 3750000 10000000 4435000	40.02 10.12 3 8 3.55	50049500 12662083 3750000 10000000 4435000	40.02 10.12 3 8 3.55
2	Date wise increase/decrease in promoter shareholding during the year • **On 28th June, 2021 shares transferred from Ms. Priyanka Chawla to Mrs. Meena Bindra: -** a) Mrs. Meena Bindra (Transferee) • **On 14th September, 2021 shares transferred from Kaveri Tradex (P) Ltd. to Mr. Siddharath**	70000		12732083	

	Bindra				
	a) Kaveri Tradex (P) Ltd. (Transferor)	(198263)		4236737	
	b) Mr. Siddharath Bindra (Transferee)	198263		50247763	
	• **On 17th March, 2022 shares transferred from Mrs. Meena Bindra to Mr. Siddharath Bindra**				
	a) Mrs. Meena Bindra (Transferor)	(6253450)		6478633	
	b) Mr. Siddharath Bindra	6253450		56501213	
3	**At the end of the year**				
	Siddharath Bindra	56501213	45.18	56501213	45.18
	Meena Bindra	6478633	5.18	6478633	5.18
	Shradha Bindra	3750000	3	3750000	3
	Dhanvan Impex (P) Ltd.	10000000	8	10000000	8
	Kaveri Tradex (P) Ltd.	4236737	3.39	4236737	3.39

d. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR's and ADR's):**

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the End of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the company
1	Highdell Investment Limited	36847750	29.46	3,68,47,750	29.46

2	Faering Capital India Evolving Fund	5586250	4.47	55,86,250	4.47
3	Future Corporate Resources Private Limited (Formerly known as Suhani Trading & Investment Private Limited)	537250	0.43	NIL	NIL
4	NU Business Ventures Private Limited	NIL	NIL	537250	0.43
	Total	**42971250**	**34.36**	**42971250**	**34.36**

e. **Shareholding of Directors and Key Managerial Personnel:**

S. No.	Particulars	Shareholding at the beginning of the year		Shareholding at the End of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Siddharath Bindra	50049500	40.02	56501213	45.18
2	Meena Bindra	12662083	10.12	6478633	5.18
3	Saurabh Modi (Independent Director)	1125000	0.90	1125000	0.90
	Total	**63836583**	**51.04**	**64104846**	**51.26**

5. INDEBTEDNESS

Description	Secured Loans excluding deposits (in lakhs)	Unsecured Loans	Deposits (Security Deposits)	Total Indebtedness (in lakhs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,978.08	-	750.26	**11,728.34**

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not Paid	49.65	-	-	**49.65**
Total	**11,027.73**	-	**750.26**	**11,777.99**
Change in Indebtedness during the financial year				
- Addition	4,539.09	-	352.50	**4,891.59**
- Reduction	-5,930.14	-	-156.25	**-6,086.39**
Net Change	**-1,391.05**	-	**196.25**	**-1,194.80**
Indebtedness at the end of the financial year				
i) Principal Amount	9,636.68	-	946.51	**10,583.19**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total	**9,636.68**	-	**946.51**	**10,583.19**

6. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

a) Remuneration to Managing Director, Whole-time Directors, Directors and/or Manager.

S. No.	Particulars of Remuneration	Name of the Director						Total Managerial Rem.
		Siddharath Bindra (Managing	Meena Bindra (Executive	Anish Saraf (Nominee Director)	Pradeep Banerjee (Independent	Gagan Makar Singh (Independent	Saurabh Modi (Independent	

		Director)	Director)		Director)	Director)	Director)	
1	Gross Salary (Eligibility)	480 Lakhs	90 Lakhs w.e.f. 01.12.2021 99 Lakhs (till 30 Nov 2021)	NIL	18 Lakhs (Inclusive of Sitting Fees)	18 Lakhs (Inclusive of Sitting Fees)	18 Lakhs (Inclusive of Sitting Fees)	
2	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (including perquisites)	386 Lakhs	95.90 Lakhs	NIL	NIL	NIL	NIL	
3	Profits in lieu of salary under section 17 (3) Income- Tax Act,1961	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
4	Stock Option	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
5	Sweat Equity	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
6	Commission as % of profit	**0.5%**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
7	Others, please specify							
	TOTAL (A)							

8	Fee Paid for attending board committee meetings	**NIL**	**NIL**	**NIL**				
9	Commission Paid	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
10	Others, please specify	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	
	Total (B)							
Ceiling as per the Act								

b. **Remuneration to Key Managerial Personnel Other than MD / Manager / WTD**

S. No.	**Particulars of Remuneration**	**Key Managerial Personnel**		
		CEO	**Sachin Agarwal (Company Secretary)**	**Vikram Nagpal (CFO)**
1	Gross Salary paid during the FY 2020-21	NA	**45.43 Lakhs**	**100 Lakhs**
	Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (including perquisites)	NA	**45.38 Lakhs**	**89.77 Lakhs**
	Profits in lieu of salary under section 17 (3) Income-taxAct,1961	NA	NA	NA
2	Stock Option	NA	NA	30,000 options
3	Sweat Equity	NA	NA	NA
4	Commission - as % of profit - Others, specify...	NA	NA	NA
5	Others, please specify	NA	NA	NA
	Total(A)	**NA**		

7. Penalties / Punishment/ Compounding of Offences:

Type	Sections of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority RD/NCLT/Court	Appeal made, if any
			COMPANY		
Penalty					
Punishment					
Compounding					
			DIRECTORS		
Penalty			NIL		
Punishment					
Compounding					
			OTHER OFFICERS IN DEFAULT		
Penalty					
Punishment					
Compounding					

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Siddharath Bindra
Managing Director
DIN: 01680498

Meena Bindra
Director
DIN: 01627149

Date: 27.06.2022
Place: Gurugram

ANNEXURE-4

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

S. No.	Details	Particulars
1	Name(s) of relationship the related party and Nature	**Not Applicable**
2	Nature of contracts/arrangements/transactions	
3	Duration of the arrangements/ transactions contracts	
4	Salient terms of the contracts or arrangements or Transactions including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions	
6	date(s) of approval by the Board	
7	Amount paid as advances, if any:	
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

* There were No Related Party transactions (not at Arm's length basis) which are required to be reported u/s 188 of the Companies Act, 2013.

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

S. No.	Particulars	Transaction No. 1	Transaction No. 2	Transaction No. 3	Transaction No. 4	Transaction No. 5	Transaction No. 6	Transaction No. 7	Transaction No. 8
1	Name(s) of relationship the related party and Nature	Mr. Siddharath Bindra (Managing Director)	Mr. Meena Bindra (Executive Director)	Shradha Bindra (Relative of Siddharath Bindra and Meena Bindra)	Anjuman Brand Designs Private Limited (Associate Company)	IMA Clothing Private Limited (Subsidiary Company)	BIBA Apparels Trading LLC (Subsidiary Company)	Mr. Vikram Nagpal (KMP-CFO)	Mr. Sachin Agarwal (KMP-Company Secretary)
2	Nature of contracts/ arrangements / transactions	Remuneration	Remuneration	Remuneration	Purchase of Samples	Loans and Advances (Exp. Borne by Company)	Supply of Goods Investment Made Advances Given	Remuneration	Remuneration
3	Duration of the arrangements/ transactions contracts	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
4	Salient terms of the contracts or arrangements or Transactions including the value, if any	Mr. Bindra is eligible to the remuneration upto Rs. 480 Laks pa. and eligible for annual increment @5p.a. He is also eligible for commission of net profit	Mrs. Meena Bindra is eligible to the remuneration upto Rs. 90 Laks pa. w.e.f. 01.12.2021	Mrs. Shradha Bindra is eligible to the remuneration upto Rs. 60 Laks pa. and eligible for annual increment @ 5% p.a.	Cost of Purchase of Samples at be paid as and when samples are purchased.	Not Applicable	**Supply of Goods** - Supply to be made at 40% margin on the Indian MRP. **Investment Made** - No Specific Contract made. Investment to be made at face value of shares. **Advances**	As per Employment Contract	As per Employment Contract

		@0.5%.					**Given-** Advances were given to various Vendors on behalf of subsidiary. Which is repayable upto 31st December 2022		
5	Justification for entering into such contracts or arrangements or transactions	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Date(s) of approval by the Board	29.11.2021	29.11.2021 10.03.2022	29.11.2021	Nil	Nil	Nil	Nil	Nil
7	Amount paid as advances, if any:	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
8	Date on which the special resolution was passed in general meeting as	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

	required under first proviso to section 188								

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Siddharath Bindra	**Meena Bindra**
Managing Director	Director
DIN: 01680498	**DIN**: 01627149

Date: 27.06.2022
Place: Gurugram

ANNEXURE-5

ANNUAL REPORT ON CSR ACTIVITIES

The Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. CSR policy functions as a self-regulatory mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards and national or international norms.

CSR aims to embrace responsibility for corporate actions and to encourage a positive impact on the environment and stakeholders including consumers, employees, investors, communities and others.

The CSR policy institutes a transparent monitoring mechanism for implementation of the CSR activities with the constitution of the CSR Committee of the Company.

The CSR Committee confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

The Company has already constituted CSR Committee which comprised of the members as Siddharath Binda, Mrs. Meena Bindra and Mr. Sameer Mohan Shroff. However Mr. Sameer Mohan Shroff resigned from the directorship of the company on 08.02.2022 and due to his resignation, the company reconstituted the CSR committee in the Board meeting held on 10.03.2022. The new constituted committee comprises of the following members:

1. **CSR Committee**

S. No.	Name of the Member	Category
1	Siddharath Bindra	Chairman
2	Mr. Pradeep Banerjee	Member
3	Mr. Saurabh Modi	Member

2. **Average net profit of the company for last three financial years: Rs. 865 Lakhs**

3. **Prescribed CSR Expenditure (2% of the average Net Profit): Rs. 17.30 Lakhs**

4. **Details of CSR spend for the financial year:** The Company during the year ended 31st March'2022 has spent on the CSR activities for fighting against Covid.

5. **Total amount spent during the financial year: Rs. 19.37 Lakhs**

6. **Manner in which the amount spent during the financial year is detailed below**

Sl. No.	Project or activity identified	Project is Covered	Amount outlay (Budget) project or programme wise (Rs.)	Amount spent on the project or programme (Rs.)	Cumulative expenditure up to the reporting period (Rs.)	Amount spent: Direct or through implement ting agency* (Rs.)
1.	Health and Safety Against Covid	Health	1937432.75	1937432.75	1937432.75	Direct

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Siddharath Bindra	**Meena Bindra**
Managing Director	**Executive Director**
DIN: 01680498	**DIN: 01627149**

Date: 27.06.2022
Place: Gurugram

ANNEXURE-6

Disclosure of particulars with respect to Conservation Of Energy, Technology Absorption
(Rule 8 of Companies (Accounts) Rules, 2014)

A. Conservation of Energy

Particulars	Power
a. Steps taken or impact on conservation of energy	NIL
b. Steps taken by the company for utilizing alternate sources of energy	NIL
c. Capital investment on energy conservation equipment's	NIL

B. Technology absorption

i.	The efforts made towards technology absorption		Nil
ii.	The benefits derived like product improvement Cost reduction, product development or import substitution		Nil
iii.	In case of imported technology (Imported during the last three years reckoned from the Beginning of the financial year)-:		Nil
	a	The details of technology imported	Nil
	b	The year of import	Nil
	c	Whether the technology been fully absorbed	Nil
	d	If not fully absorbed, areas where absorption Has not taken place and the reasons thereof; and	Nil
iv.	The expenditure incurred on Research and Development		Nil

C. Total Foreign Exchange earnings and outgo

(Rs. in Lakhs)

Particulars	2021-22	2020-21
Used	16.54	28.54
Earned	2209.90	1230.74

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Siddharath Bindra
Managing Director
DIN: 01680498

Meena Bindra
Executive Director
DIN: 01627149

Date: 27.06.2022
Place: Gurugram

Annexure 7

[Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

S. No	Emp. Name	Date of Joining	Designation	Annual Compensation (CTC)	Qualification	Age	Last Employment	% of Shares Held	No. of Options Held
1.	Ramit Pal Singh (KMP)	14-Oct-2019	Senior Vice President & Chief Sourcing Officer	170 Lakhs	PGDBA	46	Arvind Limited	NIL	50000
2.	Vikram Nagpal (KMP)	15-Oct-2020	Chief Financial Officer	100 Lakhs	CA	45	Senco Gold Ltd	NIL	30000
3.	Shradha Bindra	01-Oct-2008	Vice President	60 Lakhs	Diploma In Fashion Design	48	Not Applicable	37,50,000	NIL
4.	Shifali Singh (KMP)	25-Aug-2021	Vice President	90 Lakhs	MBA - Strategy and Brand Management	42	Spencer's Retail Ltd - RP - Sanjiv Goenka Group	NIL	30000
5.	Neeraj Katariya	01-Apr-21	Vice President	75 Lakhs	PGPX	44	Rakuten Mobile	NIL	
6.	Taranjeet Singh Bhatia	21-Aug-2017	Vice President	61.47 lakhs	BE, PGDIM,	45	Havells	NIL	15000
7.	Lokesh Mishra (KMP)	06-Jan-2021	Vice President	55 Lakhs	Management in Footwear technology	46	R S Seven Lifestyle Pvt Ltd	NIL	25000
8.	Arpita Kuila	25-Oct-2021	Associate Vice President	65 Lakhs	MBA - HR	45	NEC	NIL	10000

9.	Hitesh Ahuja	02-Jul-2018	Associate Vice President	65 Lakhs	PGDBA - Marketing & Finance	43	TOMTOM India Pvt Ltd	NIL	10000
10.	Akshata Jagnani Jain	25-Aug-2021	Associate Vice President	60 Lakhs	Diploma In Fashion Design	37	Ritu Kumar	NIL	10000
11.	Anurag Saxena (KMP)	12-May-2014	Associate Vice President	57.85 Lakhs	MCA	52	BBF Industries Ltd	NIL	20000

By Order of the Board of Directors
For and on behalf of BIBA Fashion Limited
(Formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Siddharath Bindra
Managing Director
DIN: 01680498

Meena Bindra
Executive Director
DIN: 01627149

Date: 27.06.2022
Place: Gurugram

SECRETARIAL AUDIT REPORT
For the financial year ended on 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
For the financial year ended on 31st March, 2022

To,
The Members,
BIBA FASHION LIMITED,
(Earlier known as Biba Apparels Private Limited),
13th Floor, Capital Cyber Scape Sector-59,
Golf Course Extension Road, Gurugram, Haryana-122102.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"Biba Fashion Limited" (earlier known as Biba Apparels Private Limited)** (hereinafter called 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 **Biba Fashion Limited(earlier known as Biba Apparels Private Limited)** 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 Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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.

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 31st March, 2022, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;
ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment.
iv) As explained by the management, there is no law which is specifically applicable on the Company.

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

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

RANJEET PANDEY & ASSOCIATES COMPANY SECRETARIES NEW DELHI

We further report that:-

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

Adequate notice has been given to all directors/members, as the case may be, to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, 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.

All the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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, the Company has:

(i) Obtained the approval of members, Registrar of Companies, NCT of Delhi and Haryana to change its name from Biba Apparels Private Limited to Biba Fashion Limited;

(ii) Approval of the Board of Directors to raise capital through an Initial Public Offering.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

RANJEET PANDEY & ASSOCIATES COMPANY SECRETARIES NEW DELHI

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922D000558265

Place: New Delhi
Date: 04.07.2022

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

RANJEET PANDEY & ASSOCIATES

Company Secretaries

Annexure-I

To,
The Members,
BIBA FASHION LIMITED,
(Earlier known as Biba Apparels Private Limited),
13th Floor, Capital Cyber Scape Sector-59,
Golf Course Extension Road, Gurugram, Haryana-122102.

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the 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 test basis to ensure that correct facts are reflected in 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 the events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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 RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

RANJEET PANDEY & ASSOCIATES COMPANY SECRETARIES NEW DELHI

Place: New Delhi
Date: 04.07.2022

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN: F005922D000558265

A-62, Basement, Defence Colony,
New Delhi-110024

Tel:- 011-46074119, +91-9810558049
Email-rpa@rpalegal.com; cs.ranjeet@gmail.com

BIBA FASHION LIMITED

STANDALONE FINANCIAL STATEMENTS

For the year ended

31 March 2022

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited) ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the 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 such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

S.R. BATLIBOI & CO. LLP
GURUGRAM

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

S. R. BATLIBOI & CO. LLP * GURUGRAM *

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on November 29, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

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

S. R. BATLIBOI & CO. LLP * GURUGRAM *

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 50 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSFZY6542
Place of Signature: Gurugram
Date: June 27, 2022

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

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

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

(b) All the fixed assets were physically verified by the management in the financial year ended March 31, 2022 in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

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

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022. There are no discrepancies of 10% or more in aggregate for each class of inventory.

(b) As disclosed in note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

(INR in Lakh)

Quarter ending	Value per books of account	Value per quarterly return/statement	Discrepancy
Trade Receivables			
December 31	5,486.87	5,968.5	481.63

Quarter ending	Value per books of account	Value per quarterly return/statement	Discrepancy
Inventories			
December 31	30,737.69	30,710.1	27.60

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(iii) (a) During the year the Company has provided loans to employees, advances in the nature of loans, to wholly owned subsidiary as follows:

(INR in Lakh)

	Advances in nature of loans to wholly owned subsidiary	Loan to employees
Aggregate amount granted/ provided during the year		
- Subsidiaries BIBA Apparels Trading LLC - Others Employee loans	585.11	381.26
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries BIBA Apparels Trading LLC - Others Employee loans	585.11	364.12

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans to employees and advances in the nature of loans to subsidiary company are not prejudicial to the Company's interest.

(c) The Company has granted loans to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The advance in the nature of loan granted to wholly owned subsidiary company, the schedule of repayment of principal and interest is agreed and is not yet due.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 16 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to its wholly owned subsidiary company amounting to Rs.585.11 lakhs. The following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Wholly owned subsidiary	585.11	Nil	585.11

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Percentage of loans/ advances in nature of loans to the total loans	100%		100%

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

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

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the company, the dues outstanding of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute are as follows:

(In INR Lakh)

Name of the statute	Nature of the dues	Amount (INR)	Period (A.Y.) to which the amount relates	Forum where dispute is pending
Commercial Tax , Haryana	VAT/CST	548.02	2017-18	Rectification Filed before Excise and Taxation Officer
commercial Tax, West Bengal	VAT/CST	142.75	2017-18	First Appeal Authority WBVAT
Commercial Tax , Haryana	VAT/CST	47.25	2016-17	Asessing officer HVAT
commercial Tax, Uttar Pradesh	VAT/CST	37.80	2017-18	First Appeal Authority UPVAT
Customs Act, 1962	Custom	35.81	2004-20	Revisionary Authority (Principal Commissioner), Mumbai
commercial Tax, Uttar Pradesh	VAT/CST	17.05	2016-17	First Appeal Authority UPVAT

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commercial Tax, Bihar	VAT/CST	12.46	2014-15	First Appeal Authority BVAT
commercial Tax, Jharkhand	VAT/CST	7.47	2017-18	First Appeal authority of JVAT
Commercial Tax, Tamil Nadu	VAT/CST	6.28	2017-18	First Appeal Authority TNVAT
Municipal authority	Municipal	4.61	2013-14	Commissioner of Municipal Corporation of Thane
commercial tax, Rajasthan	VAT/CST	1.31	2017-18	First Appeal Authority RJVAT
Commercial Tax ,Delhi	VAT/CST	0.50	2017-18	First Appeal Authority DVAT
IncomeTax Act, 1961	Income tax	8.87	AY 11-12	Income Tax Appellate Tribunal
IncomeTax Act, 1961	Income tax	14.30	AY 12-13	Income Tax Appellate Tribunal
IncomeTax Act, 1961	Income tax	40.58	AY 13-14	Commissioner of Income Tax(Appeals)
IncomeTax Act, 1961	Income tax	32.35	AY 14-15	Commissioner of Income Tax(Appeals)
IncomeTax Act, 1961	Income tax	35.99	AY 15-16	Commissioner of Income Tax(Appeals)
IncomeTax Act, 1961	Income tax	238.05	AY 18-19	Commissioner of Income Tax(Appeals)

(viii) In our opinion and according to the information and explanations given by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix) (b) In our opinion and according to the information and explanations given by the management, The Company has not been declared wilful defaulter by any bank or government or any government authority.

(ix) (c) In our opinion and according to the information and explanations given by the management, Term loans were applied for the purpose for which the loans were obtained.

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

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

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

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

S. R. BATLIBOI & CO. LLP * GURUGRAM *

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

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

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

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

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

(xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

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

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

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

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

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

S. R. BATLIBOI & CO. LLP
GURUGRAM

(xix) On the basis of the financial ratios disclosed in note 49 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 53 to the financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 53 to the financial statements.

For S.R. Batliboi & Co. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSFZY6542
Place: Gurugram
Date: June 27, 2022

ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

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

We have audited the internal financial controls with reference to standalone financial statements of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

S.R. BATLIBOI & CO. LLP
GURUGRAM

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

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

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

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSFZY6542
Place of Signature: Gurugram
Date: June 27, 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Standalone balance sheet as at 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	5,697.59	4,962.98
Right-of-use assets	47	30,516.91	27,269.85
Other intangible assets	5	316.45	382.15
Intangible assets under development	5	454.19	-
Financial assets			
(i) Investments	6	795.36	773.73
(ii) Other financial assets	8	2,189.76	3,168.28
Non-current tax asset (net)	9	677.29	360.21
Deferred tax assets (net)	10	2,320.19	2,417.65
Other non-current assets	11	177.46	305.64
Total non-current assets		**43,145.20**	**39,640.49**
Current assets			
Inventories	12	32,892.20	32,012.89
Financial assets			
(i) Trade receivables	13	4,179.70	6,772.88
(ii) Cash and cash equivalents	14	1,146.16	394.58
(iii) Bank balances other than (ii) above	15	15.69	134.44
(iv) Loans	16	585.11	-
(v) Other financial assets	17	1,866.47	1,541.00
Other current assets	18	3,255.71	2,776.09
Total current assets		**43,941.04**	**43,631.88**
Total assets		**87,086.24**	**83,272.37**
Equity and liabilities			
Equity			
Equity share capital	19	12,506.28	12,506.28
Other equity	20	20,168.24	18,740.42
Total equity		**32,674.52**	**31,246.70**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	2,349.31	2,335.71
(ii) Lease liabilities	47	30,417.82	28,274.60
Provisions	22	137.75	252.89
Total non-current liabilities		**32,904.88**	**30,863.20**
Current liabilities			
Financial liabilities			
(i) Borrowings	23	7,287.37	8,642.37
(ii) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises; and		2,263.56	1,366.94
(b) Total outstanding dues of creditors other than micro enterprises and		4,624.13	3,723.41
(iii) Lease liabilities	47	5,361.28	5,807.36
(iv) Other financial liabilities	25	1,181.11	946.82
Other current liabilities	26	523.66	557.30
Provisions	27	265.73	118.28
Total current liabilities		**21,506.84**	**21,162.47**
Total equity and liabilities		**87,086.24**	**83,272.37**

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP
GURUGRAM

Pankaj Chadha
Partner
Membership No: 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of Directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

BIBA FASHION LIMITED
GURUGRAM

Siddharath Bindra
Managing Director
(DIN : 01680498)

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)

Vikram Nagpal
Chief Financial Officer

Place: Gurugram
Date: 27th June 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Standalone statement of profit and loss for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	28	63,037.20	52,582.01
Other income	29	3,400.15	4,335.90
Total income		**66,437.35**	**56,917.91**
Expenses			
Cost of materials consumed	30	15,351.67	9,657.34
Purchase of stock-in-trade		311.72	98.02
Job work charges	31	7,813.81	6,655.14
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	(211.15)	5,754.02
Employee benefits expense	33	8,880.19	7,134.27
Finance costs	34	4,224.11	4,304.83
Depreciation and amortisation expenses	35	8,183.01	8,339.55
Other expenses	36	20,069.34	17,027.22
Total expenses		**64,622.70**	**58,970.39**
Profit/(loss) before tax and exceptional items		**1,814.65**	**(2,052.48)**
Exceptional items	37	-	173.28
Profit/(loss) before tax		**1,814.65**	**(2,225.76)**
Tax expense	38		
Current tax		321.94	-
Tax pertaining to earlier years		-	(408.07)
Deferred tax		92.73	(481.01)
Profit/(Loss)profit for the year		**1,399.98**	**(1,336.68)**
Other comprehensive income :			
Items that will not be reclassified to profit and loss			
Re-measurement loss on defined benefit obligations		18.81	(9.87)
Income tax relating to above items		(4.73)	2.49
Total other comprehensive income		**14.08**	**(7.38)**
Total comprehensive (loss)/income for the year		**1,414.06**	**(1,344.06)**
Earnings/ per equity share (face value of ₹ 10 per share)	39		
Basic earnings/(loss) per share (in ₹)		1.12	(1.08)
Diluted earnings/(loss) per share (in ₹)		1.12	(1.08)

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

Pankaj Chadha
Partner
Membership No: 091813

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

Siddharath Bindra
Managing Director
(DIN : 01680498)

BIBA FASHION LIMITED * GURUGRAM *

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)
Place: Gurugram
Date: 27th June 2022

Vikram Nagpal
Chief Financial Officer

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Standalone cash flow statement for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Cash flow from operating activities :		
Net profit/(loss) before tax (after exceptional items)	1,814.65	(2,225.76)
Adjustments for :		
Depreciation and amortisation	8,183.01	8,339.55
Gain on disposal of property, plant and equipment	(3.22)	(0.39)
Interest income	(14.24)	(15.04)
Employee stock option expense	13.76	7.88
Interest income on financial asset at amortised cost	(281.42)	(101.37)
Exceptional items	-	173.28
Rent concession on lease rentals	(2,187.64)	(3,505.81)
Gain on termination of right-of-use assets	(802.01)	(562.94)
Unrealised loss/(gain) on foreign exchange fluctuation	5.46	2.49
Finance charges	4,224.11	4,304.83
Miscellaneous balances written off	42.42	754.73
Provision for doubtful debts, advances & deposits	505.55	141.69
Operating profit before working capital changes	**11,500.43**	**7,313.14**
Adjustments for:		
Decrease/(increase) in inventories	(879.31)	5,791.49
(Increase) in trade receivables	2,350.89	(3,569.23)
(Increase)/ decrease in loans, financial assets and other current assets	(1,728.62)	(277.85)
(Decrease)/increase in trade payables	1,797.34	(4,693.08)
Increase in other liabilities and provisions	213.73	647.09
Cash generated from operating activities	**13,254.46**	**5,211.56**
Income taxes refund/(paid) (net)	(639.02)	872.82
Net cash flow generated from operating activities	**12,615.44**	**6,084.38**
B) Cash flow from investing activities :		
Purchase of property, plant and equipment (including intangible assets and capital advances)	(3,045.49)	(1,005.38)
Proceeds from sale of property, plant and equipment	89.17	7.73
Interest received	12.85	10.07
Investment in fixed deposits	108.12	(117.60)
Net cash flow (used in) investing activities	**(2,835.34)**	**(1,105.18)**
C) Cash flow from financing activities :		
Repayment of long term borrowings	(468.90)	(196.57)
Proceeds from long term borrowings	1,000.00	2,960.00
Repayment/proceeds of short term borrowings (net)	(1,872.50)	(6,201.38)
Finance charges paid	(761.14)	(994.59)
Payment of lease liabilities	(3,413.36)	(1,113.47)
Payment of interest portion of lease liabilities	(3,512.62)	(3,260.60)
Proceeds from shares issued during the year	-	4,000.00
Net cash flow (used in) financing activities	**(9,028.52)**	**(4,806.61)**
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)	751.58	**172.59**
E) Cash and cash equivalents as at the beginning of the year	394.58	221.99
F) Cash and cash equivalents as at the end of the year	**1,146.16**	**394.58**
Components of cash and cash equivalents (refer note 14):		
Balance with banks		
- with scheduled banks in current accounts	45.41	85.39
- with scheduled banks in cash credit account	701.18	73.86
Cash on hand	399.57	235.33
Total cash and cash equivalents	**1,146.16**	**394.58**

BIBA FASHION LIMITED * GURUGRAM *

S. R. BATLIBOI & CO. LLP * GURUGRAM *

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Standalone cash flow statement for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Reconciliation of financial liabilities arising from financing activities:

Particulars	Interest accrued	Non-current borrowings *	Current borrowings	Lease liabilities
Opening balance as at 01 April 2020	-	25.14	14,390.89	39,183.97
Add: interest expense	1,044.24	-	-	3,260.60
Less: rent concession on lease rentals				(3,505.81)
Cash inflows/outflows:				
Add: lease liabilities created on new leases entered during the year	-	-	-	2,407.76
Add: loan disbursed	-	2,960.00	3,201.04	-
Less: loan repaid	-	(196.57)	(9,402.42)	-
Less: payment of lease liabilities	-	-	-	(4,374.07)
Less: termination of leases	-	-	-	(2,890.49)
Less: interest repaid	(994.59)	-	-	-
Closing balance as at 31 March 2021	**49.65**	**2,788.57**	**8,189.51**	**34,081.96**
Add: interest expense	711.49	-	-	3,512.62
Less: rent concession on lease rentals	-	-	-	(2,187.64)
Cash inflows/outflows:				
Add: lease liabilities created on new leases entered during the year	-	-	-	10,359.25
Add: loan disbursed	-	1,000.00	2,827.60	-
Less: loan repaid	-	(468.90)	(4,700.10)	-
Less: payment of lease liabilities	-	-	-	(6,925.98)
Less: termination of leases	-	-	-	(3,061.11)
Less: interest paid	(761.14)	-	-	-
Closing balance as at 31 March 2022	-	**3,319.67**	**6,317.01**	**35,779.10**

* Includes current maturity of long term debt.

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone cash flow statement referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

Pankaj Chadha
Partner
Membership No: 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

Siddharath Bindra
Managing Director
(DIN : 01680498)

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)

Vikram Nagpal
Chief Financial Officer

Place: Gurugram
Date: 27th June 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Standalone statement of changes in equity for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

A Equity share capital

Particulars	Total
Balance as at 01 April 2020	**11,972.95**
Change during the year	533.33
Balance as at 31 March 2021	**12,506.28**
Change during the year	-
Balance as at 31 March 2022	**12,506.28**

B Other equity

Particulars	Securities premium	Employee Stock option reserve	Reserve and surplus	Total
			Retained earnings	
Balance as at 01 April 2020	**92.75**	-	**16,517.18**	**16,609.93**
Loss for the year	-	-	(1,336.68)	(1,336.68)
Other comprehensive income/(loss) for the year (net of income tax)	-	-	(7.38)	(7.38)
Share option expense for the year	-	7.88	-	7.88
Premium on shares issued during the year	3,466.67	-	-	3,466.67
Balance as at 31 March 2021	**3,559.42**	**7.88**	**15,173.12**	**18,740.42**
Profit for the year	-	-	1,399.98	1,399.98
Other comprehensive income for the year (net of income tax)	-	-	14.08	14.08
Share option expense for the year	-	13.76	-	13.76
Balance as at 31 March 2022	**3,559.42**	**21.64**	**16,587.18**	**20,168.24**

The accompanying notes form an integral part of these standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP GURUGRAM

Pankaj Chadha
Partner
Membership No: 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

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Director
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BIBA FASHION LIMITED GURUGRAM

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)

Vikram Nagpal
Chief Financial Officer

Place: Gurugram
Date: 27th June 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Summary of significant accounting policies and other explanatory information to the Standalone Financial Statement

1. Corporate Information

Nature of operations

BIBA Apparels Private Limited was incorporated in India on 10 July 2002 and is primarily engaged in business of manufacturing and retail of Indian wear. The Registered office of the Holding Company is located in Gurugram.
The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 11 February 2022 and consequently the name of the Company has changed to BIBA Apparels Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies, Delhi on 02 March 2022 and the Company has changed its name to BIBA Fashion Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies, Delhi on 25 March 2022.

2. Summary of significant accounting policies

a) Overall consideration

The Standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

Basis of preparation

The Standalone financial statements of the Company comprise the standalone Balance Sheet as at 31 March 2022 and 31 March 2021 the Standalone Profit and Loss (including Other Comprehensive Income), the standalone Cash Flow Statement, the Standalone Changes in Equity and Notes forming part of the Standalone financial statements for the years ended 31 March 2022 and 31 March 2021 (hereinafter collectively referred to as "Standalone financial statements").

The Standalone financial statements has been prepared in terms of requirements of:
a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act"),
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations")
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").
Accordingly, these Standalone financial statements have been prepared for the above mentioned purpose.

The accounting policies have been consistently applied by the Company in preparation of the Standalone financial statements and are consistent with those adopted in the preparation of consolidated financial statements for the year ended March 31, 2022. This Standalone financial statements do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited consolidated financial statements mentioned above.

The Standalone financial statements have been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:
(a) adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
(b) adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Company and its associate for the year ended March 31, 2022, and the requirements of the SEBI Regulations, if any; and
(c) the resultant impact of tax due to the aforesaid adjustments, if any.

The Standalone Financial Statements for the year ended 31 March 2022 has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. as amended from time to time, which have been approved by the Board of Directors at their meetings held on 27 June 2022.

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Further, these Standalone financial statements are in compliance with the amendments made to Schedule III with effect from 1 April 2021.

The Standalone financial statements have been prepared on the historical cost basis. The Standalone financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

b) Business combinations

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are expensed as incurred.

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

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in 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 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

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The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

d) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition, net of accumulated depreciation and accumulated impairment, if any. The cost comprises purchase price, and any cost attributable to bringing the assets to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of 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 expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the Written down value method computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Computers	3 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Plant and machinery	15 Years
Office equipment	5 Years

Leasehold improvements are amortised over the lease terms or five years whichever is lower.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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.

e) Other Intangible assets

Recognition and initial measurement

Intangible assets comprise brand, software's and non-compete fees which are stated at their cost of acquisition. The cost comprises purchase price, and any cost attributable to bringing the assets to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. These are recognised as assets if it is probable

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that future economic benefits attributable to such assets will flow to the Company and the cost of the assets can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite.
Intangible assets with finite lives are amortised over the 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 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 unless such expenditure forms part of carrying value of another asset.

Subsequent measurement (amortisation)
All intangible assets are amortised on straight line basis on the basis of useful lives (as set out below) except software which is amortised on Written down value basis.

Asset category	Estimated useful life (in years)
Brand	10 years
Software	6 years
Non-compete fee	3 years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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.

f) Revenue recognition

Revenue of the Company arises mainly from the sale of Apparels & accessories.

To determine whether to recognise revenue, the Company follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST).

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position (see note 26). Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises a receivable in its statement of financial position.

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

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g) Inventories

Inventories are valued as follows:

Raw materials are valued at lower of cost and net realisable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost is determined based on First in First out method.

Work-in-progress and finished goods (including consignment stock) are valued at lower of cost assessed at retail method and net realisable value. Cost includes direct materials, labour, and all other costs of purchase incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Traded goods are valued at cost including 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 method.

An inventory provision is recognized for cases where the realizable 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.

h) Share based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (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 other 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 ultimately vest. The expense or credit in the Standalone financial statements of profit and loss 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 Standalone financial statements of profit and loss.

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The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

i) Leases

Transition to Ind AS 116 – Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 - Leases which replaces the earlier leases standard, Ind AS 17 – Leases (effective during year ended 31 March 2019), and other interpretations. Ind AS 116 – Leases sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has used the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and taken the cumulative adjustment to retained earnings, on the date of initial application (1 April 2019). However, for the purpose of preparing Standalone financial statements, Ind AS 116 has been applied using the modified retrospective approach with effect from 1 April 2018.

For contracts in place at the date of initial application, the Company has elected to apply the definition of a lease from Ind AS 17 and Appendix C and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17 and Appendix C.

On adoption of Ind AS 116, the Company recognised lease liabilities and right-of-use assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 01 April 2018. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 01 April 2018 was 8.85%.

The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 01 April 2018.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.

The Company as a lessee

The Company's lease asset classes primarily consist of property leases. The Company 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 Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company 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 recognises 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.

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The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. 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. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

j) Foreign currency translation

Functional and presentation currency
The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Transactions and balances
Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

k) Fair value measurement of financial instruments

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset and liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

• Disclosure regarding significant estimates and assumptions- Note 2, paragraph u.
• Quantitative disclosures of fair value measurement hierarchy- Note 2, paragraph j.
• Financial instruments (including those carried at amortised cost) - Note 2, paragraph m.

l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor

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exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually near year end and when circumstances indicate that the carrying value may be impaired.
Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in borrowings under financial liabilities in the balance sheet.

n) Investment in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.
The statement of profit and loss reflects the Company's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Company's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of an associate is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit and loss.

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Upon loss of significant influence over the associate, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

o) Financial instruments

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.

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.
With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (f) Revenue recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- ► Financial assets at amortised cost (debt instruments)
- ► Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- ► Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- ► Financial assets at fair value through profit or loss

Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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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.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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.

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and 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.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 de-recognition of the

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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.

Swap contracts
A forward contract is recognised as an asset or a liability on the commitment date. Outstanding forward contracts as at reporting date are using the mark to market information and resultant gain/(loss) is accounted in statement of profit and loss.

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.

p) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

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. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables
The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets
For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided. 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 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
(i) All contractual terms of the financial instrument 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 entity is required to use the remaining contractual term of the financial instrument.
(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

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ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the Standalone financial statements of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone financial statements of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

a. Financial assets measured as at amortised cost, contractual revenue receivables: 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.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency 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 recognized 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 nonfinancial 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 recognized asset or liability or an unrecognized 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 recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

There is no other hedge instrument in the Company.

r) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

s) Employee benefits:

(i) **Defined contribution plans:**

The Company contributes on a defined contribution basis to Employee's Provident Fund and Employee's State Insurance Fund towards post-employment benefits, all of which are administered by the respective Government authorities. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue.

(ii) **Defined benefit plans:**

The Company has a defined benefit plan namely gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the balance sheet date, which is calculated using projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined. Remeasurements are not reclassified to profit or loss in subsequent periods.

(iii) **Other short-term benefits:**

Expense in respect of other short term benefits including performance bonus is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

t) Contingent liabilities, provisions and contingent assets

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Company; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

u) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

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v) Investment

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investments intended to be held for more than one year are classified as long term investments.

Current investments are valued at lower of cost and fair value. The diminution in current investments is charged to the statement of profit and loss and appreciation, if any, is recognized at the time of sale. Long term investments are stated at cost of acquisition unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health and specific prospects of the issuer.

w) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company is solely into manufacturing and retail of Indian wear. Based on the nature of business and internal reporting provided to the management for evaluation of the performance of the segment, the Company has a single reportable segment.

3. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Leases - Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

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Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets.

(All amounts in ₹ lakhs unless otherwise stated)

4 Property, plant and equipment

Particulars	Office equipments	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	Plant and machinery	Total
Gross carrying amount							
As at 01 April 2020	1,826.59	400.47	5,569.58	5,911.89	246.86	448.11	**14,403.50**
Additions	148.33	10.72	310.41	307.50	1.47	47.65	**826.08**
Disposals	-	0.48	5.73	461.73	-	11.57	**479.51**
At 31 March 2021	**1,974.92**	**410.71**	**5,874.26**	**5,757.66**	**248.33**	**484.19**	**14,750.07**
Additions	618.13	93.52	851.30	1,092.58	-	28.59	**2,684.12**
Disposals	69.69	10.40	228.87	455.46	121.58	6.55	**892.55**
At 31 March 2022	**2,523.36**	**493.83**	**6,496.69**	**6,394.78**	**126.75**	**506.23**	**16,541.64**
Accumulated depreciation							
As at 01 April 2020	1,191.41	295.37	2,860.41	3,641.88	149.11	208.21	**8,346.39**
Depreciation charge for the year	324.68	56.32	747.19	713.29	30.08	41.30	**1,912.86**
Disposals	-	0.47	3.70	461.73	-	6.26	**472.16**
At 31 March 2021	**1,516.09**	**351.22**	**3,603.90**	**3,893.44**	**179.19**	**243.25**	**9,787.09**
Depreciation charge for the year	310.97	57.98	734.44	770.92	20.03	43.74	**1,938.08**
Disposals	69.53	10.40	222.81	455.27	116.56	6.55	**881.12**
At 31 March 2022	**1,757.53**	**398.80**	**4,115.53**	**4,209.09**	**82.66**	**280.44**	**10,844.05**
Net carrying amount							
At 31 March 2022	**765.83**	**95.03**	**2,381.16**	**2,185.69**	**44.09**	**225.79**	**5,697.59**
At 31 March 2021	**458.83**	**59.49**	**2,270.36**	**1,864.22**	**69.14**	**240.94**	**4,962.98**

(i) Contractual obligations
Refer note 51 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, plant and equipment have been pledged as security for liabilities, for details refer note 44.

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(All amounts in ₹ lakhs unless otherwise stated)

5 Intangible assets

Particulars	Brand	Software	Non compete fee	Total	Intangible Assests under development
Gross carrying amount					
As at 01 April 2020	438.52	443.97	11.11	**893.60**	-
Additions	-	4.97	-	**4.97**	-
At 31 March 2021	**438.52**	**448.94**	**11.11**	**898.57**	-
Additions	-	46.54	-	**46.54**	454.19
At 31 March 2022	**438.52**	**495.48**	**11.11**	**945.11**	**454.19**
Accumulated amortisation					
As at 01 April 2020	**81.02**	**349.92**	**11.11**	**442.05**	-
Amortisation charge for the year	36.38	37.99	-	**74.37**	-
At 31 March 2021	**117.40**	**387.91**	**11.11**	**516.42**	-
Amortisation charge for the year	69.91	42.33	-	**112.24**	-
At 31 March 2022	**187.31**	**430.24**	**11.11**	**628.66**	-
Net carrying amount					
At 31 March 2022	**251.21**	**65.24**	-	**316.45**	**454.19**
At 31 March 2021	**321.12**	**61.03**	-	**382.15**	-

Intangible assets under development ageing schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	454.19	-	-	-	454.19

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Particulars	As at 31 March 2022	As at 31 March 2021
6 Investments		
Investments carried at amortised cost		
In equity instruments (fully paid)		
In subsidiary (unquoted)		
- IMA Clothing Private Limited		
1,700,000 (previous year: 1,700,000) class B equity shares of ₹ 10 each	170.00	170.00
- IMA Clothing Private Limited		
10,408 (previous year: 10,408) class A equity shares of ₹ 10 each	20.00	20.00
In associate (unquoted)		
- Anjuman Brand Designs Private Limited		
854,926 (previous year: 854,926) equity shares of ₹ 10 each	615.06	615.06
In foreign wholly owned subsidiary (unquoted)^		
- BIBA Apparels Trading LLC	20.24	-
100 (previous year Nil) equity shares of AED 1000 each		
In preference shares (fully paid up)		
In subsidiary (unquoted)		
- IMA Clothing Private Limited		
800,000 (previous year: 800,000) preference shares of ₹ 10 each	80.00	80.00
Tax free bonds (quoted)		
In Government entities		
- Housing and Urban Development Corporation Limited		
4,517 (previous year: 4,517) tax free bonds of ₹ 1,000 each	45.17	46.14
- National Bank for Agriculture and Rural Development		
10,020 (previous year: 10,020) tax free bonds of ₹ 1,000 each	114.89	112.53
Less: provision for impairment of investment	(270.00)	(270.00)
	795.36	773.73
Aggregate amount of unquoted investments	**905.30**	**885.06**
Aggregate amount of impairment in value of unquoted investment	**(270.00)**	**(270.00)**
Aggregate amount of quoted investments	**160.06**	**158.67**
Market value of quoted investments	**177.75**	**176.58**

^Note: The company is yet to made the remittance for the investment amount in wholly owned subsidiary and accordingly share certificate will be issued by the subsidiary post remitting the investment amount.

7 Loans -Non-current		
(Unsecured, considered good, unless otherwise stated)		
Loan to a related party - credit impaired*	500.30	500.30
Less: loss allowance	(500.30)	(500.30)
	-	-

*includes unsecured demand loan given to IMA Clothing Private Limited carrying a interest rate of 15% p.a. However, no interest income has been recorded in the current year, considering the uncertainty in the recovery of loan amount.

8 Other non-current financial assets		
Security deposits	2,169.85	3,159.00
Fixed deposits with banks with maturity period of more than 12 months*	19.91	9.28
	2,189.76	**3,168.28**

*includes fixed deposits pledged with government authorities amounting to ₹ 13.42 lakhs (previous year: ₹ 7.70 lakhs)

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
9 Non-current tax asset (net)		
Advance income tax (net of provision)	677.29	360.21
	677.29	**360.21**
10 Deferred tax assets		
Deferred tax assets on account of:		
Property, plant and equipment	437.05	394.54
Provision for employee benefits	106.99	93.42
Financial assets at amortised cost	328.95	77.73
Impact of Ind AS 116	1,240.23	1,572.09
Amount disallowed under 40a(ia)	63.88	35.01
Provision for doubtful debts	73.61	17.22
Provision for doubtful advance	35.03	7.63
Provision for doubtful deposits	33.08	-
Brought forward losses	-	220.01
Foreign exchange loss	1.37	-
	2,320.19	**2,417.65**

Movement in deferred tax assets during year ended 31 March 2022

Particulars	As at 31 March 2021	Recognised in OCI	Recognised in profit & loss	As at 31 March 2022
Deferred tax assets				
Property, plant and equipment	394.54	-	42.51	437.05
Provision for employee benefits	93.42	(4.73)	18.30	106.99
Financial assets at amortised cost	77.73	-	251.22	328.95
Impact of Ind AS 116	1,572.09	-	(331.86)	1,240.23
Amount disallowed under 40a(ia)	35.01	-	28.87	63.88
Provision for doubtful debts	17.22	-	56.39	73.61
Provision for doubtful advance	7.63	-	27.40	35.03
Provision for doubtful deposits	-	-	33.08	33.08
Brought forward losses	220.01	-	(220.01)	-
Foreign exchange loss	-	-	1.37	1.37
Derivate Liability	-	-	-	-
Total	**2,417.65**	**(4.73)**	**(92.73)**	**2,320.19**

Movement in deferred tax assets during year ended 31 March 2021

Particulars	As at 31 March 2020	Recognised in OCI	Recognised in profit & loss	As at 31 March 2021
Deferred tax assets				
Property, plant and equipment	332.02	-	62.52	394.54
Provision for employee benefits	81.33	2.49	9.60	93.42
Financial assets at amortised cost	23.11	-	54.62	77.73
Impact of Ind AS 116	1,472.09	-	100.00	1,572.09
Amount disallowed under 40a(ia)	12.54	-	22.47	35.01
Provision for doubtful debts	11.82	-	5.40	17.22
Provision for doubtful advance	-	-	7.63	7.63
Brought forward losses	-	-	220.01	220.01
Fair valuation of investment	1.24	-	(1.24)	-
Total	**1,934.15**	**2.49**	**481.02**	**2,417.65**

Particulars	As at 31 March 2022	As at 31 March 2021
11 Other non-current asset		
Capital advances	113.43	239.62
Balances with government authorities	64.03	66.02
	177.46	**305.64**

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Particulars	As at 31 March 2022	As at 31 March 2021
12 Inventories*^		
Raw material	1,352.04	683.88
Work-in-progress**	4,595.19	724.14
Finished goods	25,433.74	29,552.93
(including stock-in-trade of ₹ 217.18 lakhs (previous year: ₹ 134.05 lakhs)		
Stock-in-transit	1,511.23	1,051.94
	32,892.20	**32,012.89**

*Inventories have been pledged as security for borrowings, for details refer note 44.
** Represent inventories with the vendors sent for job work ₹ 4,595.19 lakhs (previous year: ₹ 724.14 lakhs)
^The Company has recorded few class of finished goods at the net realisable value (NRV), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such goods is ₹ 105.49 lakhs (previous year ₹ 62.20 lakhs). This was recognised as an expense during the year and included in 'changes in inventories of finished goods' in the statement of profit and loss.

Particulars	As at 31 March 2022	As at 31 March 2021
13 Trade receivables		
Trade receivables considered good-unsecured	4,179.70	6,772.88
Trade receivables - credit impaired	292.47	68.43
	4,472.17	6,841.30
Less: loss allowance	292.47	68.43
	4,179.70	**6,772.88**

(i) Trade receivables have been pledged as security for borrowings, for details refer note 44.
(ii) Refer note 42 - Financial risk management for assessment of expected credit loss.
(iii) The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.
(iv) Trade receivables includes receivable from wholly owned subsidiary amounting to 229.87 lakhs (previous year Nil)

Trade receivables ageing Schedules

Particular	March 31, 2022	March 31, 2021
(i) Undisputed Trade Receivables - Considered good		
Outstanding for the following periods from the due date of payments		
Not Due	2,621.22	4,661.46
Less than 6 months	1,491.29	1,886.91
6 months - 1 year	60.74	182.60
1-2 years	6.45	26.43
2-3 years	-	8.69
More than 3 years	-	6.79
Total	**4,179.70**	**6,772.88**
(i) Undisputed Trade Receivables - credit impaired		
Outstanding for the following periods from the due date of payments		
Less than 6 months	198.63	-
6 months - 1 year	5.86	8.42
1-2 years	7.40	38.13
2-3 years	43.15	13.81
More than 3 years	37.43	8.07
Total	**292.47**	**68.43**

Particulars	As at 31 March 2022	As at 31 March 2021
14 Cash and cash equivalents		
Balance with banks		
- with scheduled banks in current accounts	45.41	85.39
- with scheduled banks in cash credit accounts	701.18	73.86
Cash on hand	399.57	235.33
	1,146.16	**394.58**

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There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.

Particulars	As at 31 March 2022	As at 31 March 2021
15 Bank balances other than cash and cash equivalents (unsecured, considered good)		
Deposits with maturity of more than 3 months but less than 12 months*	15.69	134.44
	15.69	**134.44**
*includes fixed deposits pledged with government authorities amounting to ₹ 8.97 lakhs (previous year: ₹ 24.85 lakhs)		
The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.		
16 Loans-Current		
(unsecured, considered good)		
Loan to a related party-considered good	585.11	-
Loan to a related party-credit impaired*	82.18	80.10
Less: loss allowance	(82.18)	(80.10)
	585.11	-
*includes unsecured demand loan given to IMA Clothing Private Limited carrying a interest rate of 15% p.a. However, no interest income has been recorded in the current year, considering the uncertainty in the recovery of loan amount.		
17 Other current financial assets		
(unsecured, considered good)		
Security deposits- Considered good	1,417.13	1,447.88
Security deposits- Considered doubtful	131.43	-
Less: provision for doubtful deposits	(131.43)	-
Credit card receivable	91.69	74.23
Staff advances	357.65	18.89
	1,866.47	**1,541.00**
The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.		
18 Other current assets		
(unsecured considered good, unless otherwise stated)		
Advances to suppliers- Considered good	1,211.07	851.52
Advances to suppliers- Considered doubtful	139.19	30.33
Less: provision for doubtful advances	(139.19)	(30.33)
Prepaid expenses	111.98	76.68
Balances with government authorities	730.87	619.87
Other advances^	1,201.79	1,228.02
	3,255.71	**2,776.09**
^ It includes GST paid to government on primary sales (for sales on return basis)		

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19 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Authorised share capital				
Equity shares of ₹ 10 each (previous year: ₹ 10 each)	1,350.00	13,500.00	1,350.00	13,500.00
	1,350.00	**13,500.00**	**1,350.00**	**13,500.00**
Issued, subscribed and paid up share capital				
Equity shares of ₹ 10 each (previous year: ₹ 10 each)	1,250.63	12,506.28	1,250.63	12,506.28
	1,250.63	**12,506.28**	**1,250.63**	**12,506.28**

a) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at the beginning of the year	1,250.63	12,506.28	1,197.30	11,972.95
Add: shares issued during the year	-	-	53.33	533.33
Balance at the end of the year	**1,250.63**	**12,506.28**	**1,250.63**	**12,506.28**

b) Details of shareholders holding more than 5% of the shares of the Company*

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Mrs. Meena Bindra	64.79	5.18%	126.62	10.12%
Mr. Siddharath Bindra	565.01	45.18%	500.50	40.02%
Dhanvan Impex Private Limited	100.00	8.00%	100.00	8.00%
Highdell Investment Ltd	368.48	29.46%	368.48	29.46%

*As per the records of the Company, including its register of shareholder/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

c) Shares held by promoters at the end of the period.

As at 31 March 2022

Promoter Name	No. of shares at the end of the year	% of Total Shares	% change during the year
Mrs. Meena Bindra	64.79	5.18%	-48.83%
Mr. Siddharath Bindra	565.01	45.18%	12.89%
Mrs. Shradha Bindra	37.50	3.00%	0.00%
Dhanvan Impex Private Limited	100.00	8.00%	0.00%
Kaveri Tradex Private Ltd	42.37	3.39%	-4.46%
	809.67	64.75%	-40.40%

As at 31 March 2021

Promoter Name	No. of shares at the end of the year	% of Total Shares	% change during the year
Mrs. Meena Bindra	126.62	10.12%	7.95%
Mr. Siddharath Bindra	500.50	40.02%	0.81%
Mrs. Shradha Bindra	37.50	3.00%	0.00%
Dhanvan Impex Private Limited	100.00	8.00%	0.00%
Kaveri Tradex Private Ltd	44.35	3.55%	0.00%
	808.97	64.69%	8.76%

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BIBA FASHION LIMITED * GURUGRAM *

19 Equity share capital

d) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each (previous year: ₹ 10 each). Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

e) During the year ended 31 March 2017, pursuant to the shareholders approvals under Section 63 and other applicable provisions of the Companies Act, 2013, the Company had issued bonus shares in the ratio of 24:1 (i.e. twenty four bonus equity share of ₹ 10 each for every one fully paid up equity share of ₹ 10 each) to the shareholders on record date of 3 February 2017, by capitalising securities premium account, general reserve and retained earnings by sum of ₹ 1,863.89 lakhs, ₹ 3,483.35 lakhs and ₹ 6,140.08 lakhs respectively.

The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of immediately preceding five years except bonus shares issued during the year ended 31 March 2017 as mentioned above.

f) Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the Company, please refer note 48.

Particulars	As at 31 March 2022	As at 31 March 2021
20 Other equity		
Surplus in the statement of profit and loss		
Balance at the beginning of the year	15,173.12	16,517.18
Add: profit/(loss) for the year	1,399.98	(1,336.68)
Add: other comprehensive income (net of tax)	14.08	(7.38)
Balance at the end of the year	**16,587.18**	**15,173.12**
Employee Stock option reserve		
Balance at the beginning of the year	7.88	-
Add: Recognised during the year	13.76	7.88
	21.64	**7.88**
Securities premium^		
Balance at the beginning of the year	3,559.42	92.75
Add: shares issued during the year	-	3,466.67
	3,559.42	**3,559.42**
Total	**20,168.24**	**18,740.42**

Note:

1.^ Securities premium is used to record the premium on issue of shares. The premium will be utilised in accordance with provisions of the Companies Act 2013.

2. Retained Earnings are the profits that the company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

3. The share options outstanding account is used to recognise the grant date fair value of options issued to employees under the Company's Employee stock option plan. Refer Note 48.

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
21 Non-current financial liabilities		
Borrowings		
Term loans - Secured		
Indian rupee loans		
- from banks	3,319.67	2,788.57
- from others	-	-
Total borrowings	**3,319.67**	**2,788.57**
Less: current maturities of long term debt	970.36	452.86
	2,349.31	2,335.71

(i) Details of security, repayment terms and interest rate on the borrowings is provided below-

Particulars	Rate of Interest (%)	As at 31 March 2022	As at 31 March 2021
ICICI Bank First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in 14 quarterly instalments commencing from December 2020 and to be repaid by March 2024	1 Year MCLR + 0.25%	685.71	1,028.57
Axis Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in monthly instalments commencing from Dec 2021 and to be repaid by Nov 2025	12M MCLR + 0.25%	705.83	770.00
Axis Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in monthly instalments commencing from Jan 2022 and to be repaid by Dec 2025	12M MCLR + 0.25%	928.13	990.00
Kotak Mahindra Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders). Repayment in 48 equal monthly instalments starting from July 2022 and to be repaid by June 2026	1 Year MCLR + 0.25%	1,000.00	-
Total		**3,319.67**	**2,788.57**

Particulars	As at 31 March 2022	As at 31 March 2021
22 Non-current provisions		
Provision for gratuity (refer note 45)	137.75	252.89
	137.75	252.89

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
23 Current financial liabilities-borrowings		
Current maturities of long term debt (refer note 21)	970.36	452.86
Cash credit facilities (secured)		
Indian rupee loans repayable on demand (from banks)	6,317.01	8,189.51
	7,287.37	**8,642.37**

(i) Details of security and interest rate on the borrowings is provided below-

Particulars	Rate of Interest (%)	As at 31 March 2022	As at 31 March 2021
Indian rupee loans repayable on demand (secured)			
Axis Bank	12M MCLR+ 1%	-	687.18
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
HDFC Bank	1 Year MCLR	-	2.33
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
Working capital demand loan from banks (secured)			
HDFC Bank	6.20%	489.41	1,000.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
Axis Bank	6.15%	2,822.59	2,500.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
Kotak Mahindra Bank	6.20%	500.00	2,000.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
ICICI Bank	6.15%	2,505.01	-
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the Company, both present and future (excluding vehicles exclusively charged to lenders).			
Citi Bank	Ranging between 6.20% to 6.50%	-	2,000.00
First pari passu charge on present and future stocks and book debts of the Borrower including card receivables along with present and future movable fixed assets of the Borrower excluding vehicles specifically charged to other lenders.			
Total		**6,317.01**	**8,189.51**

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BIBA FASHION LIMITED * GURUGRAM

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended 31 March 2022

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
24 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 52)	2,263.56	1,366.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,624.13	3,723.41
	6,887.69	**5,090.35**

Particular	March 31, 2022	March 31, 2021
(i) Micro Enterprises and Small Enterprises		
Outstanding for the following periods from the due date of payments		
Unbilled	-	-
Less than 1 Year	2,256.43	1,366.77
1-2 years	6.94	0.17
2-3 years	-	-
More than 3 years	0.19	-
(ii) Disputed dues to Micro Enterprises and Small Enterprises		-
Total	**2,263.56**	**1,366.94**
(i) Other than Micro Enterprises and Small Enterprises		
Outstanding for the following periods from the due date of payments		
Unbilled	1,584.20	736.94
Less than 1 Year	2,885.24	2,430.40
1-2 years	60.42	502.42
2-3 years	78.92	20.17
More than 3 years	15.35	33.48
Total	**4,624.13**	**3,723.41**

Particulars	As at 31 March 2022	As at 31 March 2021
25 Other current financial liabilities		
Interest accrued but not due on borrowings	-	49.65
Deposit from vendors	-	70.83
Deposit from franchise stores	946.51	671.43
Deposit from others	-	8.00
Creditors for capital goods	234.60	146.91
	1,181.11	**946.82**
26 Other current liabilities		
Statutory dues payable	432.87	340.42
Advance from customers	90.79	216.88
	523.66	**557.30**
27 Current provisions		
Provision for gratuity (refer note 45)	265.73	118.28
	265.73	**118.28**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
28 Revenue from operations		
Sales		
- Export	2,209.90	1,230.74
- Domestic	60,773.25	51,343.06
	62,983.15	**52,573.80**
Other operating revenue		
- Export incentives	30.05	0.74
- Scrap sale	24.00	7.47
	54.05	**8.21**
	63,037.20	**52,582.01**
29 Other income		
Interest income:		
-on fixed deposits	2.15	3.35
-on investment	12.09	11.69
-on financial asset at amortised cost	281.42	101.37
-on income tax refund	-	96.31
Insurance claim received	24.48	10.44
Gain on disposal of property, plant and equipment	3.22	0.39
Gain on termination of right-of-use assets	802.01	562.94
Rent concession on lease rentals	2,187.64	3,505.81
Miscellaneous income	87.14	43.60
	3,400.15	**4,335.90**
30 Cost of materials consumed		
Opening stock	683.88	721.35
Add: purchases	16,019.83	9,619.87
	16,703.71	10,341.22
Less: closing stock	1,352.04	683.88
	15,351.67	**9,657.34**
Fabric	6,536.60	9,255.61
Accessories	8,815.07	401.73
Total	**15,351.67**	**9,657.34**
31 Job work charges		
Dying and printing charges	2,478.32	985.08
Stitching charges	5,335.49	5,670.06
	7,813.81	**6,655.14**
32 Changes in inventories of finished goods and work-in-progress		
Opening stock:		
Work-in-progress	724.14	5,260.64
Finished goods (including stock-in-trade and stock-in-transit)	30,604.87	31,822.39
	31,329.01	**37,083.03**
Closing stock:		
Work-in-progress	4,595.19	724.14
Finished goods (including stock-in-trade and stock-in-transit)	26,944.97	30,604.87
	31,540.16	**31,329.01**
Decrease/(increase) in inventories	**(211.15)**	**5,754.02**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
33 Employee benefits expense		
Salaries and wages	8,152.29	6,502.73
Employee stock option expense	13.76	7.88
Gratuity expense (refer note 45)	85.09	92.02
Contribution to provident and other funds (refer note 45)	427.65	354.26
Staff welfare expenses	201.40	177.38
	8,880.19	**7,134.27**
34 Finance cost		
Interest expenses on:		
-term loans and cash credit	705.81	1,021.11
-Others	5.68	23.12
Interest on lease liabilities	3,512.62	3,260.60
	4,224.11	**4,304.83**
35 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	1,938.08	1,912.86
Amortisation of right-of-use assets	6,132.69	6,352.32
Amortisation of intangible assets	112.24	74.37
	8,183.01	**8,339.55**
36 Other expenses		
Franchise/sales commission	8,693.60	7,553.23
Bank charges and commission	220.97	292.71
Advertisement	3,701.53	2,202.08
Rent and mall maintenance	981.27	1,185.33
Electricity expenses	763.42	940.04
Rates and taxes	163.19	76.81
Repairs and maintenance - Others	867.23	602.80
Insurance	74.50	68.11
Legal and professional	916.15	560.03
Payment to auditors {refer note (i) below}	29.97	36.27
Communication	80.15	74.80
Travelling and conveyance	222.42	131.97
Membership and subscription	42.94	6.86
Printing and stationery	40.94	36.58
Corporate social responsibility expenses (refer note 53)	19.37	155.41
Merchant commission	151.74	125.16
Store expenses	62.92	91.87
Security expenses	40.41	37.68
Outsource salary	675.20	521.04
Business promotion	70.98	55.63
Packing materials	154.56	116.47
Freight, octroi, forwarding charges and entry tax	1,517.03	1,245.32
Provision for bad and doubtful debts	224.04	111.36
Provision for doubtful advances	150.08	30.33
Provision for doubtful deposits	131.43	-
Miscellaneous balances written off	42.42	496.28
GST input written off	-	258.44
Foreign exchange fluctuation loss (net)	5.46	2.49
Miscellaneous expenses	25.42	12.12
	20,069.34	**17,027.22**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
36 Other expenses		
(i) Payments to the auditors:		
(a) For statutory audit	28.00	35.00
(b) For other services	0.25	0.35
(c) For reimbursement of expenses	1.72	0.92
	29.97	**36.27**
37 Exceptional items		
Provision for diminution in value of non-current investments	-	170.00
Provision for doubtful advances given to subsidiary company	-	2.51
Advances and other receivables written off	-	0.77
	-	**173.28**
38 Income tax		
(a) Income tax expense		
- Current tax	321.94	-
- Tax pertaining to earlier years	-	(408.07)
- Deferred tax	92.73	(481.01)
Income tax expense	**414.67**	**(889.08)**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (previous period: 25.17%) and the reported tax expense in profit or loss are as follows:

(b) Reconciliation of tax expense and the accounting profit

Particulars	**Year ended 31 March 2022**	**Year ended 31 March 2021**
(Loss)/profit before income tax expense (before exceptional items)	1,814.65	(2,052.48)
Statutory income tax rate	25.17%	25.17%
Amount of tax at statutory income tax rate	456.71	(516.57)
Adjustments:		
Effect of non-deductible expense	6.83	110.72
Tax impact of deduction u/s 80JJAA	-	-
Income exempt from tax	3.04	(2.94)
Tax pertaining to earlier years	(30.87)	(408.07)
Others	(21.04)	(72.22)
Total	**(42.04)**	**(372.51)**
Amount of tax at statutory income tax rate post adjustments	**414.67**	**(889.08)**

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Particulars	Year ended 31 March 2022	Year ended 31 March 2021
39 Earnings per share		
Net profit attributable to equity shareholders		
Profit/(Loss) after tax	1,399.98	(1,336.68)
Nominal value of equity share (₹)	10.00	10.00
Total number of equity shares outstanding as the beginning of the year (in lakhs)	1,250.63	1,197.30
Add: shares issued during the year (in lakhs)	-	53.33
Total number of equity shares outstanding as the end of the year (in lakhs)	1,250.63	1,250.63
Weighted average number of equity shares (in lakhs)	1,250.63	1,233.09
Basic and diluted earnings per share (in ₹)	1.12	(1.08)

40 Related party transactions:

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

Relationship:

A) Subsidiary Company:
IMA Clothing Private Limited
BIBA Apparels Trading LLC (incorporated on 10 October 2021)

B) Associate Company:
Anjuman Brand Designs Private Limited

C) Key managerial personnel:

a) Mrs. Meena Bindra	Director
b) Mr. Siddharath Bindra	Managing Director
c) Mr. Anish Kumar Saraf	Director
d) Mr. Sameer Mohan Shroff (15 October 2020 till 08 February 2022)	Director
e) Mr. Vikram Nagpal (w.e.f. 15 October 2020)	Chief financial officer
f) Mr. Sandeep Dattaram Deshpande (06 January 2020 till 30 September 2020)	Chief financial officer
g) Mr. Sachin Agarwal (w.e.f. 07 August 2019)	Company Secretary
h) Gagan Makar Singh (w.e.f. 10 March 2022)	Independent Director
i) Saurabh Modi (w.e.f. 10 March 2022)	Independent Director
j) Pradeep Banerjee (w.e.f. 10 March 2022)	Independent Director

D) Relatives of key managerial personnel (with whom there were transactions during the year):
Mrs. Shradha Bindra (wife of Mr. Siddharath Bindra)

E) Enterprises over which key managerial personnel of the Company and their relatives have significant influence:
Meena Agritech Private Limited

F) Enterprises that exercise significant influence:
Highdell Investment Ltd

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
i) The following transaction were carried out with related parties in the ordinary course of business		
A) Key managerial personnel		
Mrs. Meena Bindra		
Remuneration (refer note (a))	95.91	47.75
Loan taken	-	130.00
Interest given on loan	-	15.75
Loan repaid	-	580.00
Receipt against issue of shares	-	700.00
Mr. Siddharath Bindra		
Remuneration (refer note (a))	386.69	110.76
Rent Paid	12.00	5.00
Receipt against issue of shares	-	300.00
Mr. Sandeep Dattaram Deshpande		
Remuneration (refer note (a))	-	28.60
Mr. Vikram Nagpal		
Remuneration (refer note (a))	89.77	34.86
Mr. Sachin Agarwal		
Remuneration (refer note (a))	45.38	31.60
Mr. Gagan Makar Singh		
Sitting Fees	1.50	-
Mr. Pradeep Banerjee		
Sitting Fees	0.75	-
Mr. Saurabh Modi		
Sitting Fees	1.50	-
B) Relatives of key managerial personnel		
Mrs. Shradha Bindra		
Remuneration	47.44	51.82
C) Subsidiary Company		
IMA Clothing Private Limited		
Loan given	2.09	2.51
BIBA Apparels Trading LLC		
Revenue	220.53	-
Investments made	20.24	-
Advances given	585.11	-
D) Associate Company		
Anjuman Brand Designs Private Limited		
Purchase of sample/expenses	0.64	-
E) Enterprises that exercise significant influence:		
Highdell Investment Ltd		
Receipt against issue of shares	-	3,000.00

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Particulars	Year ended 31 March 2022	Year ended 31 March 2021
ii) Balances at the year end		
Note (a)		
Breakup for Key management personnel's compensation in the following categories:-		
Short-term employee benefits	596.41	213.27
Post-employment benefits *#	21.34	11.70
	617.75	**224.97**

* excludes provision for future liability in respect of gratuity which is based on actuarial valuation done for the Company as a whole.
# includes provident fund

A) Subsidiary Company		
IMA Clothing Private Limited*		
Investment in equity shares	-	-
Investment in preference shares	-	-
BIBA Apparels Trading LLC		
Investments	20.24	-
Advances given	585.11	-
Trade receivables	220.53	-
B) Associate Company		
Anjuman Brand Designs Private Limited		
Investment in equity shares	615.06	615.06
Advance recoverable	11.80	11.80
C) Key managerial personnel		
Mrs. Meena Bindra		
Salary payable	6.61	3.69
Mr. Siddharath Bindra		
Salary payable	22.23	0.01
Mr. Vikram Nagpal		
Salary payable	3.96	6.68
Mr. Sachin Agarwal		
Salary payable	1.43	2.88
D) Relatives of key managerial personnel		
Mrs. Shradha Bindra		
Salary payable	3.01	4.26

*The Company has recorded provision for doubtful advances amounting to ₹ 2.09 lakhs (previous year: ₹ 2.51 lakhs) and provision for diminution in value of investment amounting to NIL (previous year: ₹ 170 lakhs) made in subsidiary company.

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(All amounts in ₹ lakhs unless otherwise stated)

41 Financial instruments by category

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.
There were no transfers between level 1 and level 2, and no transfers into and out of level 3 fair value measurements.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

There were no assets and liabilities carried at fair value as at 31 March 2022 and 31 March 2021

(iii) Valuation technique used to determine fair value

Fair value of swap contracts is determined using forward rate at balance sheet date, based on dealer or counterparty quotes for similar instruments.

(vi) Fair value of instruments measured at amortised cost

Particulars	Level	31 March 2022		31 March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investment	Level 3	160.06	177.75	158.67	176.58
Other financial assets	Level 3	3,586.98	3,586.98	4,606.88	4,606.88
Total financial assets		**3,747.04**	**3,764.73**	**4,765.55**	**4,783.46**
Financial liabilities					
Borrowings	Level 3	9,636.68	9,636.68	10,978.08	10,978.08
Total financial liabilities		**9,636.68**	**9,636.68**	**10,978.08**	**10,978.08**

For cash and cash equivalents, trade receivables, fixed deposits, other receivables, trade payables and other current financial liabilities, the management assessed that their far value is approximate their carrying amounts, largely due to the short-term maturities of these instruments.

42 Financial risk management

i) Financial instruments by category

Particulars	31 March 2022		31 March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investment in tax free bonds	-	160.06	-	158.67
Trade receivables	-	4,179.70	-	6,772.88
Cash and cash equivalents	-	1,146.16	-	394.58
Other bank balances	-	15.69	-	134.44
Other financial assets	-	4,056.23	-	4,709.28
Total	-	**9,557.84**	-	**12,169.85**
Financial liabilities				
Borrowings (including interest accrued)	-	9,636.68	-	11,027.73
Trade payables	-	6,887.69	-	5,090.35
Security deposits received	-	946.51	-	750.26
Other financial liabilities	-	234.60	-	146.91
Lease liabilities	-	35,779.10	-	34,081.96
Total	-	**53,484.58**	-	**51,097.21**

Note: Investment in equity instrument of subsidiary and associate are measured at cost as per Ind AS 27, "Separate financial statements" and hence, not presented here.

(All amounts in ₹ lakhs unless otherwise stated)

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Company's risk management is carried out as per the policies approved by the board of directors.

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to discharge an obligation to the Company. The company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- Cash and cash equivalents
- Trade receivables
- Loans carried at amortised cost, and
- Other bank balances

a) Credit risk management

(i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Categorisation of items	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
High credit risk	Investments Loans (excluding security deposits) Trade receivables	Life time expected credit loss fully provided for

Assets under credit risk –

Credit rating	Particulars	31 March 2022	31 March 2021
A: Low credit risk	Cash and cash equivalents	1,146.16	394.58
	Investments	795.36	773.73
	Trade receivables	4,179.70	6,772.88
	Other bank balances	15.69	134.44
	Other financial assets	4,056.23	4,709.28
B: High credit risk	Investments	270.00	270.00
	Loans (excluding security deposits)	582.48	580.40
	Trade receivables	292.47	68.43

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

To mitigate the credit risk related to trade receivables, the Company closely monitors the credit-worthiness of the trade receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due by 1 year.

(All amounts in ₹ lakhs unless otherwise stated)

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, loans given etc. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(ii) Concentration of receivables

The Company's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans given and deposits given for business purposes.

Particulars	**31 March 2022**	**31 March 2021**
Franchise stores	21.90	37.54
Multi brand outlets	885.00	1,486.91
Wholesale customers	2,761.01	5,130.76
Others	511.79	117.67
Total	**4,179.70**	**6,772.88**

b) Credit risk exposure

Trade receivables

In respect of trade receivables, the Company considers provision for lifetime loss allowance. Given the nature of business operations, the Company's trade receivables has low credit risk as there is a prompt collection from debtors within a period ranging from three to six months.

Other financial assets measured at amortised cost

Company provides for loss allowance on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any loss allowance. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Company can draws to apply consistently to entire population. For such financial assets, the Company's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

Reconciliation of loss allowance	**Trade receivables**
Loss allowance as on 31 March 2020	**55.02**
Impairment loss recognised during the year	111.36
Impairment loss reversed during the year	(97.95)
Loss allowance as on 31 March 2021	**68.43**
Impairment loss recognised during the year	224.04
Impairment loss reversed during the year	-
Loss allowance as on 31 March 2022	**292.47**

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

a) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	**31 March 2022**	**31 March 2021**
- Expiring within one year (cash credit and other facilities)	14,482.99	10,510.49

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b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2022	Less than 1 year	1-2 year	More than 2 year	Total
Non-derivatives				
Borrowings (including interest)	7,508.32	1,176.69	1,417.19	**10,102.20**
Trade payables	6,887.69	-	-	**6,887.69**
Security deposits received	946.51	-	-	**946.51**
Other financial liabilities	234.60	-	-	**234.60**
Lease liabilities	8,310.78	7,445.25	33,327.74	**49,083.77**
Total	**23,887.90**	**8,621.94**	**34,744.93**	**67,254.77**

31 March 2021	Less than 1 year	1-2 year	More than 2 year	Total
Non-derivatives				
Borrowings (including interest)	8,855.29	944.16	1,707.88	**11,507.33**
Trade payables	5,090.35	-	-	**5,090.35**
Security deposits received	750.26	-	-	**750.26**
Other financial liabilities	146.91	-	-	**146.91**
Lease liabilities	8,577.56	7,077.44	30,881.20	**46,536.20**
Total	**23,420.37**	**8,021.60**	**32,589.08**	**64,031.05**

C) Market risk

a) Foreign currency risk

The Company uses foreign currency forward exchange contracts to hedge its risks associated with fluctuations in foreign currencies relating to foreign currency borrowings. There are no outstanding derivatives contracts as on 31 March 2022 and 31 March 2021

i) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31 March 2022	31 March 2021
Exposure in USD		
Financial Assets		
Trade receivables (in ₹ lakhs)	24.11	0.05
Trade receivables (in USD)	0.32	0.00
Exposure in AED		
Financial Assets		
Trade receivables (in ₹ lakhs)	229.87	-
Trade receivables (in AED)	11.13	-
Advance recoverable (in ₹ lakhs)	585.11	-
Advance recoverable (in AED)	28.33	-
Exposure in CAD		
Financial Assets		
Trade receivables (in ₹ lakhs)	79.94	18.38
Trade receivables (in CAD)	1.32	0.32

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ii) Sensitivity

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

Particulars	31 March 2022		31 March 2021	
	Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%
USD sensitivity*				
Trade receivables (in ₹ lakhs)	0.24	(0.24)	0.00	(0.00)
AED sensitivity*				
Trade receivables (in ₹ lakhs)	2.30	(2.30)	-	-
Advance recoverable (in ₹ lakhs)	5.85	(5.85)	-	-
CAD sensitivity*				
Trade receivables (in ₹ lakhs)	0.80	(0.80)	0.18	(0.18)

** Holding all other variables constant*

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2022, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2022	31 March 2021
Variable rate borrowing	9,636.68	10,978.08
Fixed rate borrowing*	-	-
Total borrowings	**9,636.68**	**10,978.08**

*For fixed rate borrowing, the management has assessed that their fair value is almost equivalent to their carrying amounts, largely due to the rate of interest of these instruments, which is approximately equal to market rate of interest for the Company and being entire loan taken from third party.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2022	31 March 2021
Interest sensitivity*		
Interest rates – increase by 50 basis points	48.18	54.89
Interest rates – decrease by 50 basis points	(48.18)	(54.89)

** Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL.

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(All amounts in ₹ lakhs unless otherwise stated)

43 Capital management

Risk management

The Company' s capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31 March 2022	31 March 2021
Total borrowings (excluding interest accrued)	9,636.68	10,978.08
Less: cash and cash equivalent	1,146.16	394.58
Net debt	**8,490.53**	**10,583.50**
Total equity	32,674.52	31,246.70
Net debt to equity ratio	25.99%	33.87%

44 Assets pledged as security

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Inventories	32,892.20	32,012.89
Trade receivables	4,179.70	6,772.88
Cash and cash equivalents and other bank balances	1,161.85	529.02
Loans, other financial assets and other current assets	5,122.18	4,317.09
Total current assets pledged as security	**43,355.93**	**43,631.88**
Non-current		
Property, plant and equipment (excluding vehicles)	3,467.81	3,029.62
Total assets pledged as security	**46,823.74**	**46,661.50**

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45 Employee benefit obligations

(A) Defined benefit plan:

Particulars	31 March 2022	31 March 2021
Current	137.75	118.28
Non Current	265.73	252.89
Total	**403.48**	**371.17**

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2022	31 March 2021
Current service cost	49.82	65.99
Interest cost	13.22	16.16
Net impact on profit (before tax)	**63.04**	**82.15**
Actuarial loss/(gain) recognised	(18.81)	9.87
Amount recognised in total comprehensive income	**44.23**	**92.02**

(ii) Change in the present value of obligation:

Description	31 March 2022	31 March 2021
Present value of defined benefit obligation as at the beginning of the year	**371.17**	**323.17**
Current service cost	49.82	65.99
Interest cost	13.22	16.16
Benefits paid	(18.33)	(44.02)
Re-measurement (gains)/ losses on defined benefit obligations	(18.81)	9.87
Present value of defined benefit obligation as at the end of the year	**397.07**	**371.17**

(iii) Breakup of actuarial (gain)/loss:

Description	31 March 2022	31 March 2021
Actuarial (gain)/loss from change in financial assumption	2.52	4.84
Actuarial (gain)/loss from experience adjustment	(20.12)	5.03
Total actuarial (gain)/loss	**(17.60)**	**9.87**

(iv) Actuarial assumptions

Description	31 March 2022	31 March 2021
Discount rate	4.75%	5.50%
Rate of increase in compensation levels	7.00%	7.00%
Retirement age	55 years	55 years
Mortality	Indian Assured Lives Mortality (2012-14)Ultimate	Indian Assured Lives Mortality (2012-14)Ultimate

Notes:

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3) The best estimated expense for the next year is ₹ 105.81 lakhs (previous year: ₹149.25 lakhs).

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(All amounts in ₹ lakhs unless otherwise stated)

45 Employee benefit obligations

(v) **Sensitivity analysis for gratuity liability**

Description	31 March 2022	31 March 2021
Impact of change in discount rate		
Present value of obligation at the end of the year	403.48	371.17
- Impact due to increase of 2% (1 %)	(8.31)	(7.90)
- Impact due to decrease of 2% (1 %)	8.72	8.30
Impact of change in salary increase		
Present value of obligation at the end of the year	403.48	371.17
- Impact due to increase of 2% (1 %)	6.83	7.20
- Impact due to decrease of 2% (1 %)	(6.45)	(6.89)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

(vi) **Maturity profile of defined benefit obligation (undiscounted)**

Description	31 March 2022	31 March 2021
Within next 12 months	133.27	118.28
Between 1-5 years	96.35	86.63
Beyond 5 years	173.86	166.27

(vii) The average duration of the defined benefit plan obligation at the end of the reporting year is 17 years (previous year: 17 years).

(B) Defined contribution plan:

Particulars	As at 31 March 2022	As at 31 March 2021
a) Provident fund	268.74	292.36
b) Employees state insurance corporation	58.30	71.77
	327.04	**364.13**

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46 Ind AS 115 - Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5 step approach:
(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

In case of certain contracts with customers, the Company sell the goods to certain multi brand outlets (MBO's), E-com distributors and other distributors with a right to return the unsold goods to the Company. In such cases, the Company acts as an principal and these MBO's and distributors acts as agents in selling these goods to retail customers. Hence, revenue from such sales are grossed up with the margin paid to these MBO's and distributors and commission paid are presented in other expenses.

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the Period ended 31 March 2022

Revenue from operations	Goods	Other operating revenue	Total
Revenue by geography			
Domestic	60,773.25	24.00	60,797.25
Export	2,209.90	30.05	2,239.95
Total	**62,983.15**	**54.05**	**63,037.20**
Revenue by time			
Revenue recognised at point in time			63,037.20
Revenue recognised over time			-
Total			**63,037.20**

For the year ended 31 March 2021

Revenue from operations	Goods	Other operating revenue	Total
Revenue by geography			
Domestic	51,343.06	7.47	51,350.53
Export	1,230.74	0.74	1,231.48
Total	**52,573.80**	**8.21**	**52,582.01**
Revenue by time			
Revenue recognised at point in time			52,582.01
Revenue recognised over time			-
Total			**52,582.01**

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(All amounts in ₹ lakhs unless otherwise stated)

46 Ind AS 115 - Revenue from Contracts with Customers

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	Period ended 31 March 2022	Year ended 31 March 2021
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	216.88	312.55
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

(c) Assets and liabilities related to contracts with customers

Description	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	90.79	-	216.88

(d) Reconciliation of revenue recognised in statement of profit and loss with contract price

Description	Period ended 31 March 2022	Year ended 31 March 2021
Contract price	83,135.04	78,024.85
Less: discount, rebates, credits etc.	20,097.84	25,442.84
Revenue from operations as per statement of profit and loss	**63,037.20**	**52,582.01**

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(All amounts in ₹ lakhs unless otherwise stated)

47 Leases

(a) The Company has leases for the office premises, warehouse and retail outlets. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The lease terms for office premises, warehouse and store sites are for an period of one year to seventeen years and having a lock-in period ranging from one to five years. The lease are further renewable on expiry of total lease term subject to mutual consent of both the parties.

(b) **Right to use assets**

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	**27,269.85**	**33,541.96**
Add: additions on account of new leases entered during the year	11,822.90	2,407.76
Less: terminations	(2,443.15)	(2,327.55)
Balance at the end of the year	**36,649.60**	**33,622.17**
Less: amortisation expense charged on the right-of-use assets	6,132.69	6,352.32
Balance at the end of the year	**30,516.91**	**27,269.85**

(c) **Lease liabilities are presented in the statement of financial position as follow:**

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Current	5,361.28	5,807.36
Non-current	30,417.82	28,274.60
Total	**35,779.10**	**34,081.96**

d) The table below describe the nature of leasing activities by type of right of use asset recognised on balance sheet

Right of use asset	**No of right of use assets leased**	**Range of remaining term**	**Average remaining lease term**
Retail outlets, office premises and warehouse - 31 March 2022	396	1-18 years	4.37
Retail outlets, office premises and warehouse - 31 March 2021	334	1-17 years	4.85

e) **The lease liabilities are secured by the related underlying asset. Future minimum lease payment at 31 March 2022 were as follows:**

Particulars	**Within 1 year**	**1-2 year**	**2-3 year**	**3-4 year**	**4-5 year**	**after 5 year**	**Total**
As on 31 March 2022							
Lease payment	8,310.78	7,445.25	6,826.93	5,996.09	5,035.18	15,469.54	49,083.77
Finance charges	2,949.50	2,515.28	2,087.54	1,678.07	1,319.39	2,754.89	13,304.67
Net present values	**5,361.28**	**4,929.97**	**4,739.39**	**4,318.02**	**3,715.79**	**12,714.65**	**35,779.10**

The lease liabilities are secured by the related underlying asset. Future minimum lease payment at 31 March 2021 were as follows:

Particulars	**Within 1 year**	**1-2 year**	**2-3 year**	**3-4 year**	**4-5 year**	**after 5 year**	**Total**
As on 31 March 2021							
Lease payment	8,577.56	7,077.44	6,303.96	5,715.98	4,706.56	14,154.70	46,536.20
Finance charges	2,770.20	2,440.50	1,917.14	1,534.96	1,179.76	2,611.68	12,454.24
Net present values	5,807.36	4,636.94	4,386.82	4,181.02	3,526.80	11,543.02	34,081.96

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47 Leases

f) **Lease payments not recognised as a liability**

Particulars	31 March 2022	31 March 2021
Expenses relating to short term leases	22.30	15.64
Expenses relating to variable lease payments	723.50	94.69
Total	**745.80**	**110.33**

g)

The total cash outflow for leases for the period ended 31 March 2022 was ₹ 6,925.98 lakhs (previous year: ₹ 4374.07 lakhs)

h) **The following are amount recognised in statement of profit and loss**

Particulars	31 March 2022	31 March 2021
Amortisation expense	6,132.69	6,352.32
Interest expense on lease	3,512.62	3,260.60
Less: Rent	6,632.18	5,002.23
Less: Rent concession on lease rentals	2,187.64	3,505.81
Less: gain on termination of right-of-use assets	802.01	562.94
Net amount recognised in profit & loss account	**23.48**	**541.94**

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48 Share based payments
Employee stock options (ESOP)

The Company provides share-based payment scheme to its employees. During the year ended 31 March 2018, an Employee Stock Option Plan was introduced. In the Board meeting held on 04 April 2018, the Board of Directors ("Board') has approved the BIBA Employees Stock Option Plan 2018 ('ESOP 2018') and grant of options to the eligible employees of the company under the Scheme are made in the current year. The Details of the scheme are explained in the table below:

During the period ended 31 March 2022, the company has not granted (31 March 2021: 1,65,000) any employee stock options ("ESOP") as per scheme approved by Board of Directors, at an exercise price of ₹ 167.64 per option. Further, 60,000 options has been forfeited and no options has been exercised in the period ended 31 March 2022 and no options has been forfeited or exercised in the year ended 31 March 2021. Total ESOP outstanding as at 31 March 2022 are 1,05,000 (31 March 2021 : 1,65,000). The vesting period of the ESOP is ranging from 1.37 years to 5 years . The granted options can be exercised after vesting at any time before the expiry of 5 years from vesting date. An amount of ₹ 13.76 lakhs (31 March 2021: ₹ 7.88 lakhs) has been recorded for the period ended 31 March 2022 as employee benefits expense, as the proportionate cost of ESOP granted.

a) **Employee stock option scheme**

As at 31 March 2022 the Group had the following outstanding share based payment arrangements:

Particulars	Category-1	Category-2	Category-3
No. of Options	50,000	30,000	25,000
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Date	2022-23 to 2024-25	2023-24 to 2025-26	2022-23 to 2024-25
Exercise Period on initiation of exercise period	2027-28 to 2029-30	2028-29 to 2030-31	2027-28 to 2029-30
Grant Date	18 November 2020	04 January 2021	04 January 2021
Exercise price per share (₹)	167.64	167.64	167.64
Market price on the date of grant (₹)	36.46	36.46	36.46
Method of settlement	Equity shares	Equity shares	Equity shares

As at 31 March 2021 the Company had the following outstanding share based payment arrangements:

Particulars	Category-1	Category-2	Category-3	Category-4
No. of Options	85,000	30,000	25,000	25,000
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Date	2022-23 to 2024-25	2023-24 to 2025-26	2022-23 to 2024-25	2023-24 to 2025-26
Exercise Period on initiation of exercise period	2027-28 to 2029-30	2028-29 to 2030-31	2027-28 to 2029-30	2028-29 to 2030-31
Grant Date	18 November 2020	04 January 2021	04 January 2021	04 January 2021
Exercise price per share (₹)	167.64	167.64	167.64	167.64
Market price on the date of grant (₹)	36.46	36.46	36.46	36.46
Method of settlement	Equity shares	Equity shares	Equity shares	Equity shares

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(All amounts in ₹ lakhs unless otherwise stated)

48 Share based payments

b) Movement of option granted

Particulars	31 March 2022		31 March 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options Outstanding at the beginning of the year	1,65,000	167.64	-	-
Granted during the year (net of lapsed)	-	-	1,65,000	167.64
Exercised during the year	-	-	-	-
Forfeited during the year	60,000	167.64	-	-
Options outstanding during the year	1,05,000	167.64	1,65,000	167.64
Options unvested at the end of the year	1,05,000	167.64	1,65,000	167.64
Option exercisable at the end of the year	-	-	-	-

c) Fair Valuation:

The fair valuation of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes Merton Formula. The key assumption and fair value are as under:

Particulars	Category-1	Category-2	Category-3	Category-4
Risk free Interest Rate (%)	6.00%	6.00%	6.00%	6.00%
Life (Years)	9 years	9 years	9 years	9 years
Expected Volatility (%)	50.00%	50.00%	50.00%	50.00%
Expected Dividend Yield (%)	0.00%	0.00%	0.00%	0.00%
Weighted average Fair Value Per Option (₹)	36.46	36.46	36.46	36.46

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(All amounts in ₹ lakhs unless otherwise stated)

49 Ratio Analysis and its elements

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.04	2.06	-0.90%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.29	0.35	-16.05%	
Debt Service Coverage ratio	Earnings for debt service = Net profit after Tax+ Depreciation+ Deferred tax+ Interest+ lease rentals	Debt service = Interest & Lease Payments + Principal Repayments	1.52	1.36	11.73%	
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	4%	-4%	-198.03%	Company is profitable in the current year while incurred losses during the previous year due to covid
Inventory Turnover ratio	Cost of goods sold	Average Inventory	0.72	0.63	12.91%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.26	5.57	-5.56%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.03	2.18	84.52%	Higher production in FY 2022 as compared to FY 2021
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.81	2.34	20.07%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	2%	-3%	-187.36%	Company is profitable in the current year while incurred losses during the previous year due to covid
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	15%	5%	188.63%	Company is profitable in the current year while incurred losses during the previous year due to covid
Return on Investment	Interest (Finance Income)	Investment	7.55%	7.37%	2.52%	

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50 Contingent liabilities

Particulars	31 March 2022	31 March 2021
Claims against the Company not acknowledged debts in respect of :		
Income Tax		
Pending before Income Tax Appellate Tribunal {amount paid under protest ₹ 3.58 Lakhs (31 March 2021: ₹ 3.58 Lakhs)}	23.16	26.10
Pending before Commissioner of Income tax (appeals) {amount paid under protest ₹ Nil (31 March 2021: ₹ Nil)}	108.92	108.92
Pending before Commissioner of Income tax (appeals) {amount paid under protest ₹ 47.61 Lakhs (31 March 2021: ₹ 47.61 Lakhs)}	238.05	238.15
Value added tax/ CST /Entry tax/ Local body tax		
Pending before Commissioner of West Bengal VAT	142.75	-
Pending before Commissioner of Bihar VAT {amount paid under protest ₹ 6.47 Lakhs (31 March 2021: ₹ 6.47 Lakhs)}	12.46	12.46
Pending before Commissioner of Delhi VAT	0.50	44.46
Pending before Assessing Officer of Haryana VAT	47.24	-
Pending before Assessing Officer of Tamil Nadu VAT {amount paid under protest ₹ 6.27 Lakhs (31 March 2021: ₹ Nil)}	6.27	-
Pending before Municipal Commissioner of Thane, Maharashtra {amount paid under protest ₹ 4.61 Lakhs (31 March 2021: ₹ Nil)}	4.61	-
Pending before Commissioner of Uttar Pradesh VAT {amount paid under protest ₹ 17.05 Lakhs (31 March 2021: ₹ 17.05 Lakhs)}	54.86	17.05
Pending before Commissioner of Jharkhand VAT {amount paid under protest ₹ Nil (31 March 2021: ₹ Nil)}	7.47	-

The Hon'ble Supreme Court in its ruling had ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution. The company pays certain allowances to its employees as a part of its compensation structure, which have not been included in the basic wages for the purpose of computing the PF.
As this ruling has not prescribed any clarification with respect to its application, the company, based on legal advice and management assessment has applied the aforesaid ruling prospectively. Management believes that this will not result in any material liability on the company.
Interest and claims by customers may be payable as and when the outcome of the related matters are finally determined. Management based on the legal advice and historic trends, believes that no material liability will develop on the company in respect of these matters.

51 Capital and other commitments

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	302.55	31.06
Estimated amount of contracts remaining to be executed on account of other purchase commitments	782.24	2,174.27

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52 Information in terms of section 22 of The Micro, Small And Medium Enterprises Development Act, 2006*

Particulars	31 March 2022	31 March 2021
(a) The principal amount remaining unpaid to any supplier at the end of the year	2,235.75	1,339.13
(b) Interest due remaining unpaid to any supplier at the end of the year	27.81	27.81
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	27.81	27.81
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	27.81	27.81

*The Company is in discussion with certain MSME vendors owing to some reconciliation issues. Based on the management assessment, the interest payable to MSME parties as provided in books is adequate and no further provision is required to be made in financial statements for such vendors.

53 Corporate social responsibility (CSR)

(i) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Companies Act 2013 is ₹ 17.30 lakhs (previous year: ₹ 80.35 lakhs).

(ii)

Contribution for CSR	31 March 2022	31 March 2021
In cash	19.37	155.41
Yet to be paid	-	-
Total	**19.37**	**155.41**

(iii) **Details of CSR expenses incurred towards:**

Particulars	31 March 2022	31 March 2021
Education expense	-	126.37
Healthcare and Hygiene	19.37	26.04
Sports Promotion	-	3.00
Total	**19.37**	**155.41**

(iv) The Company has not contributed in nature of CSR expenditure to related party covered under Ind AS 24, Related party disclosures.

(v) The Company does not have any ongoing projects as at 31 March 2022.

54 Segment reporting

In accordance with Ind AS 108, the Board of Directors being the Chief operating decision maker of the Company has determined its only business segment as manufacturing and retail of ethnic wear.

Since the Company's business is from manufacturing and retail of ethnic wear and there are no other identifiable reportable segments, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement.

The Company's operations are such that all majority activities are confined only to India. There are no customers accounting for more than 10% of its revenue.

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55 During the year ended 31 March 2021, the management of the company has noticed that one of the ex- employees in the finance team had embezzled funds amounting to ₹302.11 lakhs over a period of four years from FY 2017-18 to FY 2020-21. The suspected employee was primarily responsible for verifying and processing the payments relating to store expenses, which includes store lease, electricity, common area maintenance and other miscellaneous expenses.

The management had involved an independent forensic expert to evaluate the impact of the above embezzlement and had also performed reconciliation of balances with store lease vendors while finalising the financial statements of 31 March 2021. Subsequently, the management has initiated various actions to improve controls over payment to store vendors including segregation of duties relating to vendor master information and automated host to host payments. Basis the above procedures performed and actions taken by the management the control exceptions noted in the auditor's report for the financial year 2020-21 have been remediated by the company.

56 The outbreak of Coronavirus Disease 2019 (COVID-19), declared as a pandemic by the World Health Organization, severely impacted the businesses and economic activities around the world including India. During the year ended 31 March 2022 and 31 March 2021, both Central and State Governments of India had imposed lockdown and other emergency restrictions which had led to the disruption of all regular business operations. Eruption of second wave of COVID-19 cases subsequent to the year end again resulted in partial lockdown/ restrictions in various states. Since then, the operations of the Company have seen gradual recovery. The Company continues to closely monitor the impact of the aforementioned pandemic and has made a detailed assessment and considered possible effects, if any, on its liquidity position, including recoverability of its assets as at the balance sheet date and currently believes that there will not be any adverse impact on the long term operations, financial position and performance of the Company.

57 The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972, etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes, will be assessed and recognised post notification of the relevant provision and related rules are published.

58 **Reconciliation of quarterly bank returns**

Name of Bank	Particulars	Quarter	Amount as per books of Accounts	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders*	Debtors	31 March 2022	4,179.70	4,179.70	-
Working Capital Lenders*	Stock	31 March 2022	32,892.20	32,892.20	-
Working Capital Lenders*	Debtors	31 December 2021	5,486.87	5,968.50	-481.63
Working Capital Lenders*	Stock	31 December 2021	30,645.50	30,710.10	-64.60
Working Capital Lenders*	Debtors	30 September 2021	9,352.40	9,352.40	-
Working Capital Lenders*	Stock	30 September 2021	28,548.90	28,548.90	-
Working Capital Lenders*	Debtors	30 June 2021	5,952.80	5,952.80	-
Working Capital Lenders*	Stock	30 June 2021	31,058.70	31,058.70	-
Working Capital Lenders*	Debtors	31 March 2021	6,772.88	9,120.81	-2,347.93
Working Capital Lenders*	Stock	31 March 2021	32,012.89	30,836.72	1,176.17
Working Capital Lenders*	Debtors	31 December 2020	8,929.60	9,263.37	-333.77
Working Capital Lenders*	Stock	31 December 2020	37,741.23	32,756.93	4,984.30
Working Capital Lenders*	Debtors	30 September 2020	7,875.26	9,193.73	-1,318.47
Working Capital Lenders*	Stock	30 September 2020	37,804.38	33,243.18	4,561.20
Working Capital Lenders*	Debtors	30 June 2020	1,608.94	3,017.84	-1,408.90
Working Capital Lenders*	Stock	30 June 2020	37,804.38	37,464.53	339.85

*HDFC Bank, Kotak Mahindra Bank, Citi Bank, ICICI Bank, Axis Bank are represented as Working Capital Lenders.

Note for discrepancies:

The Bank returns were prepared and file before the completion of all financial statement closure activities including IND AS related adjustment/reclassification, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts.

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59 Other Statutory Information as at/ for the year ended 31 March 2022 and 31 March 2021

1) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
2) The company do not have any transactions with companies struck off.
3) The company have not traded or invested in crypto currency or virtual currency.
4) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

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

   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
5) The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

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

   b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
6) The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Pankaj Chadha
Partner
Membership No: 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of director of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN 01627149)

Siddharath Bindra
Managing Director
(DIN : 01680498)

BIBA FASHION LIMITED * GURUGRAM *

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)

V Nagpal

Vikram Nagpal
Chief Financial Officer

Place: Gurugram
Date: 27th June 2022

BIBA FASHION LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended

31 March 2022

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2022, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the consolidated 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 and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears

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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 for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates, the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended) . The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal

S.R. BATLIBOI & CO. LLP GURUGRAM

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors , to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries whose financial statements include total assets of INR 2.26 lakh and INR 880.79 lakh as at March 31, 2022, and total revenues of INR Nil and INR 107.41 lakh and net cash inflow of INR Nil and INR 35.72 lakh for the year ended on that date respectively. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of INR 16 lakh for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 1 associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

One of the subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The consolidated financial statements of the Company for the year ended March 31, 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on November 29, 2021.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2006 specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended);

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its

S. R. BATLIBOI & CO. LLP GURUGRAM

associates incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and associate companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary and associates incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiary and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and associates , as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 49 to the consolidated financial statements;

ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associates incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiary and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, no funds have been

S. R. BATLIBOI & CO. LLP * GURUGRAM *

received by the respective Holding Company or any of such subsidiaries and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate companies, incorporated in India,

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSGSZ3685
Place of Signature: Gurugram
Date: June 27, 2022

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

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	BIBA Fashion Ltd	U74110HR2002PTC083029	Holding Company	3 (ii) (b)
2	BIBA Fashion Ltd	U74110HR2002PTC083029	Holding Company	3 (vii) (c)

For S.R. Batliboi & Co. LLP
ICAI Firm Registration Number: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP GURUGRAM

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSGSZ3685
Place: Gurugram
Date: June 27, 2022

ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ABC COMPANY LIMTED

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

In conjunction with our audit of the consolidated financial statements of BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

S. R. BATLIBOI & CO. LLP * GURUGRAM *

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 controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 1 subsidiary and 1 associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and associate incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP GURUGRAM

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 22091813ALSGSZ3685
Place of Signature: Gurugram
Date: June 27, 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Consolidated balance sheet as at 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	6,069.35	4,962.98
Right-of-use assets	47	30,641.83	27,269.85
Goodwill		-	9.56
Other intangible assets	5	317.38	382.15
Intangible assets under deveopment	5	454.19	-
Investments accounted for using the equity method	6	589.38	574.13
Financial assets			
(i) Investments	7	160.06	158.67
(iii) Other financial assets	8	2,226.62	3,168.28
Non-current tax asset (net)	9	677.29	360.21
Deferred tax assets (net)	10	2,326.65	2,427.36
Other non-current assets	11	226.96	305.64
Total non-current assets		**43,689.71**	**39,618.83**
Current assets			
Inventories	12	32,987.01	32,012.89
Financial assets			
(i) Trade receivables	13	3,949.83	6,772.88
(ii) Cash and cash equivalents	14	1,184.14	396.84
(iii) Bank balances other than (ii) above	15	15.69	134.44
(v) Other financial assets	16	1,890.65	1,541.00
Other current assets	17	3,303.21	2,776.09
Total current assets		**43,330.53**	**43,634.14**
Total assets		**87,020.24**	**83,252.97**
Equity and liabilities			
Equity			
Equity share capital	18	12,506.28	12,506.28
Other equity	19	20,363.12	19,107.70
Equity attributable to equity holders of the parent		**32,869.40**	**31,613.98**
Non-controlling interests		(388.67)	(388.14)
Total equity		**32,480.73**	**31,225.84**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	2,349.31	2,335.71
(ii) Lease liabilities	47	30,494.27	28,274.60
Provisions	21	137.75	252.89
Total non-current liabilities		**32,981.33**	**30,863.20**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	7,287.37	8,642.36
(ii) Trade payables	23		
(a) Total outstanding dues of micro and small enterprises; and		2,263.56	1,366.94
(b) Total outstanding dues of creditors other than micro and small enterprises		4,658.05	3,724.83
(iii) Lease liabilities	47	5,366.25	5,807.36
(iv) Other financial liabilities	24	1,193.56	946.82
Other current liabilities	25	523.66	557.34
Provisions	26	265.73	118.28
Total current liabilities		**21,558.18**	**21,163.93**
Total equity and liabilities		**87,020.24**	**83,252.97**

The accompanying notes form an integral part of these consolidated financial statements
This is the consolidated balance sheet referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited & BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

BIBA FASHION LIMITED * GURUGRAM *

Siddharath Bindra
Managing Director
(DIN : 01680498)

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)
Place: Gurugram
Date: 27th June 2022

Vikram Nagpal
Chief Financial Officer

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Consolidated statement of profit and loss for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	27	62,924.08	52,582.01
Other income	28	3,400.67	4,335.90
Total income		**66,324.75**	**56,917.91**
Expenses			
Cost of materials consumed	29	15,351.67	9,657.34
Purchase of stock-in-trade		326.53	98.02
Job work charges	30	7,813.81	6,655.14
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(304.11)	5,754.02
Employee benefits expense	32	8,906.66	7,134.27
Finance costs	33	4,224.67	4,304.84
Depreciation and amortisation expenses	34	8,198.30	8,339.55
Other expenses	35	20,176.50	17,030.43
Total expenses		**64,694.03**	**58,973.61**
Profit before share of net profits of investments accounted for using equity method and tax		**1,630.72**	**(2,055.70)**
Share of profit/(loss) of associate accounted for using the equity method		16.00	(21.63)
Profit before tax and exceptional items		**1,646.72**	**(2,077.33)**
Exceptional items	36	-	0.77
Profit before tax		**1,646.72**	**(2,078.10)**
Tax expense			
Current tax	37	321.94	(408.31)
Deferred tax		96.57	(485.86)
Profit for the year		**1,228.21**	**(1,183.93)**
Other comprehensive income :			
Items that will not be reclassified to profit and loss			
Re-measurement losses on defined benefit obligations		18.81	(9.87)
Share of other comprehensive income of associate accounted for using the equity method		(0.74)	2.35
Income tax effect		(4.73)	1.89
Total comprehensive income for the year, net of tax		**13.34**	**(5.63)**
Total comprehensive income for the year		**1,241.55**	**(1,189.56)**
Profit attributable to:			
Owners of Biba Apparels Private Limited		1,228.74	(1,182.47)
Non-controlling interest		(0.53)	(1.46)
		1,228.21	**(1,183.93)**
Total comprehensive income for the period attributable to:			
Owners of Biba Apparels Private Limited		1,242.08	(1,188.10)
Non-controlling interest		(0.53)	(1.46)
		1,241.55	**(1,189.56)**
Earnings per equity share (face value of ₹ 10 per share)	38		
Basic earnings per share (in ₹)		0.98	(0.96)
Diluted earnings per share (in ₹)		0.98	(0.96)

The accompanying notes form an integral part of these consolidated

This is the consolidated statement of profit and loss referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP GURUGRAM

Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited & BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

BIBA FASHION LIMITED GURUGRAM

Siddharath Bindra
Managing Director
(DIN : 01680498)

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)
Place: Gurugram
Date: 27th June 2022

Vikram Nagpal
Chief Financial Officer

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Consolidated cash flow statement for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Cash flow from operating activities :		
Net (Loss)/profit before tax (after exceptional items)	1,646.72	(2,078.10)
Adjustments for :		
Share of loss of associate accounted for using the equity method	(16.00)	21.63
Depreciation and amortisation	8,198.30	8,339.55
Gain on disposal of fixed assets	(3.22)	(0.39)
Interest income	(14.24)	(15.04)
Employee stock option expense	13.76	7.88
Interest income on financial asset at amortised cost	(281.94)	(101.37)
Exceptional items	-	0.77
Rent concession on lease rentals	(2,187.64)	(3,505.81)
Unrealised foreign exchange loss/(gain)	5.46	2.49
Foreign currency translation reserve	(0.42)	-
Finance charges	4,224.67	4,304.83
Gain on termination of right-of-use assets	(802.01)	(562.94)
Miscellaneous balances written off	56.24	754.73
Provision for doubtful debts, advances & deposits	505.55	141.69
Operating profit before working capital changes	**11,345.23**	**7,309.92**
Adjustments for movement in:		
Decrease/(increase) in inventory	(974.12)	5,791.49
(Increase) in trade receivables	2,580.76	(3,569.23)
(Increase)/decrease in loans, financial assets and other assets	(1,287.77)	(277.85)
(Decrease)/increase in trade payables	1,829.84	(4,693.26)
Increase in other liabilities and provisions	213.69	650.45
Cash generated from operating activities	**13,707.63**	**5,211.52**
Income taxes refund/(paid) (net)	(639.61)	873.08
Net cash flow generated from operating activities	**13,068.02**	**6,084.60**
B) Cash flow from investing activities :		
Purchase of property, plant and equipment (including intangible assets and capital advances)	(3,417.53)	(1,005.37)
Proceeds from sale of property, plant and equipment	89.17	7.73
Interest received	12.85	10.07
Investment in fixed deposits	108.12	(117.60)
Net cash flow (used in) investing activities	**(3,207.38)**	**(1,105.17)**
C) Cash flow from financing activities :		
Repayment of long term borrowings	(468.90)	(196.57)
Proceeds from long term borrowings	1,000.00	2,960.00
Repayment/proceeds of short term borrowings (net)	(1,872.50)	(6,201.38)
Finance charges paid	(761.14)	(994.59)
Payment of lease liabilities	(3,457.62)	(1,113.47)
Payment of interest portion of lease liabilities	(3,513.18)	(3,260.60)
Proceeds from shares issued during the year	-	4,000.00
Net cash flow (used in) financing activities	**(9,073.34)**	**(4,806.61)**
D) Net increase in cash and cash equivalents (A+B+C)	**787.30**	**172.82**
E) Cash and cash equivalents as at the beginning of the period	396.84	224.02
F) Cash and cash equivalents as at the end of the year	**1,184.14**	**396.84**
Balance with banks		
- with scheduled banks in current accounts	82.63	87.65
- with scheduled banks in cash credit account	701.18	73.86
Cash on hand	400.33	235.33
Total cash and cash equivalents (refer note 14)	**1,184.14**	**396.84**

BIBA FASHION LIMITED GURUGRAM

S. R. BATLIBOI & CO. LLP GURUGRAM

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Consolidated cash flow statement for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

Reconciliation of financial liabilities arising from financing activities:

Particulars	Interest accrued	Non-current borrowings *	Current borrowings	Lease liabilities
Opening balance as at 01 April 2020	-	**25.14**	**14,390.89**	**39,183.97**
Add: interest expense	1,044.24	-	-	3,260.60
Less: rent concession on lease rentals	-	-	-	(3,505.81)
Cash inflows/outflows:				
Add: lease liabilities created on new leases entered during the period	-	-	-	2,407.76
Add: loan disbursed	-	2,960.00	-	-
Less: loan repaid	-	(196.57)	(6,201.38)	-
Less: payment of lease liabilities	-	-	-	(4,374.07)
Less: termination of leases	-	-	-	(2,890.49)
Less: interest repaid	(994.59)	-	-	-
Closing balance as at 31 March 2021	**49.65**	**2,788.57**	**8,189.51**	**34,081.96**
Add: interest expense	711.49	-	-	3,513.18
Less: rent concession on lease rentals	-	-	-	(2,187.64)
Cash inflows/outflows:				
Add: lease liabilities created on new leases entered during the year	-	-	-	10,484.93
Add: loan disbursed	-	1,000.00	2,827.60	-
Less: loan repaid	-	(468.90)	(4,700.10)	-
Less: payment of lease liabilities	-	-	-	(6,970.80)
Less: termination of leases	-	-	-	(3,061.11)
Less: interest paid	(761.14)	-	-	-
Closing balance as at 31 March 2022	-	**3,319.67**	**6,317.01**	**35,860.52**

* Includes current maturity of long term debt.

The accompanying notes form an integral part of these consolidated financial statements

This is the consolidated cash flow statement referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited & BIBA Apparels Private Limited)

Meena Bindra

Meena Bindra
Director
(DIN : 01627149)

Siddharath Bindra
Managing Director
(DIN : 01680498)

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)

Vikram Nagpal
Chief Financial Officer

Place: Gurugram
Date: 27th June 2022

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Consolidated statement of changes in equity for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

A Equity share capital

Particulars	Balance as at 01 April 2020	Change during the year	Balance as at 31 March 2021	Change during the year	Balance as at 31 March 2022
Equity share capital	11,972.95	533.33	12,506.28	-	12,506.28

B Other equity

Particulars	Securities premium	Foreign Currency translation reserve	Employee Stock option reserve	Reserve and surplus	Total	Non-controlling interest
				Retained earning		
Balance as at 01 April 2020	**92.75**	-	-	**16,728.50**	**16,821.25**	**(386.68)**
Loss for the year	-	-	-	(1,182.47)	(1,182.47)	(1.46)
Other comprehensive income for the year (net of tax)	-	-	-	(5.63)	(5.63)	-
Share option expense for the year	-	-	7.88	-	7.88	-
Premium on shares issued during the year	3,466.67	-	-	-	3,466.67	-
Balance as at 31 March 2021	**3,559.42**	-	**7.88**	**15,540.40**	**19,107.70**	**(388.14)**
Profit for the period	-	-	-	1,228.74	1,228.74	(0.53)
Other comprehensive income for the year (net of tax)	-	-	-	13.34	13.34	-
Share option expense for the year	-	-	13.76	-	13.76	-
Created during the year	-	(0.42)	-	-	(0.42)	-
Balance as at 31 March 2022	**3,559.42**	**(0.42)**	**21.64**	**16,782.48**	**20,363.12**	**(388.67)**

The accompanying notes form an integral part of these consolidated financial statements
This is the consolidated statement of changes in equity referred to in our report of even date.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of directors of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited & BIBA Apparels Private Limited)

Meena Bindra
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(Membership No. - A-17348)
Place: Gurugram
Date: 27th June 2022

Vikram Nagpal
Chief Financial Officer

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements

1. Corporate Information

Nature of operations

BIBA Apparels Private Limited was incorporated in India on 10 July 2002 and is primarily engaged in business of manufacturing and retail of Indian wear. The Registered office of the Holding Company is located in Gurugram.
The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 11 February 2022 and consequently the name of the Company has changed to BIBA Apparels Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies, Delhi on 02 March 2022 and the Company has changed its name to BIBA Fashion Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies, Delhi on 25 March 2022.

BIBA Apparels Trading LLC was incorporated in United Arab Emirates as a wholly owned subsidiary on 10 October 2021 and is primarily engaged in business of retail of Indian wear. The Registered office of the Subsidiary Company is located in Dubai, UAE.

IMA Clothing Private Limited was incorporated in India on 3 September 2012 and is primarily engaged in business of manufacturing and retail of Indian wear. The Registered office of the Subsidiary Company is located in New Delhi.

Anjuman Brand Designs Private Limited was incorporated in India on 20 August 2014 and is primarily engaged in business of manufacturing and retail of Indian wear. The Registered office of the Associate Company is located in New Delhi.

The Consolidated Statement include the financial information of the Parent Company and its subsidiaries (hereinafter referred as 'the Group') and it's associate.

2. Summary of significant accounting policies

a) Overall consideration

The Consolidated Statement have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements, except where the Group has applied certain accounting policies and exemptions upon transition to Ind AS.

Basis of preparation

The Consolidated Statement of the Group and its associate comprise the Consolidated Balance Sheet as at 31 March 2022 and 31 March 2021 the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and Notes forming part of the Consolidated Statement for the year ended 31 March 2022 and 31 March 2022 (hereinafter collectively referred to as "Consolidated Statement").

The Consolidated Statement has been prepared in terms of requirements of:
a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act"),
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations")
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").
Accordingly, these Consolidated Statement have been prepared for the above mentioned purpose.

The Consolidated Financial Statements has been compiled from the audited standalone financial statements as at and for the year ended 31 March 2022 prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act. as amended from time to time, which have been approved by the Board of Directors at their meetings held on 27 June 2022.

The accounting policies have been consistently applied by the group in preparation of the Consolidated Statement and are consistent with those adopted in the preparation of consolidated financial statements for the year ended March 31, 2022.

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BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)

Summary of significant accounting policies and other explanatory information to the Consolidated Financial Statements

This Consolidated Statement do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited consolidated financial statements mentioned above.

The Consolidated Statement have been prepared so as to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:
(a) adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place is recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
(b) adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Group and its associate for the year ended March 31, 2022, and the requirements of the SEBI Regulations, if any; and
(c) the resultant impact of tax due to the aforesaid adjustments, if any.

Further, these Consolidated Statement are in compliance with the amendments made to Schedule III with effect from 1 April 2021.

The Consolidated Statement have been prepared on the historical cost basis. The Consolidated Statement are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

Basis of consolidation

The Consolidated Statement comprise the financial statements of the Parent Company, its subsidiaries and associate as at year ended 31 March 2022, years ended 31 March 2021.

Subsidiary
Subsidiary is an entity (including structured entity) over which the Group has control. 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

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 Statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Statement for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial information in preparing the Consolidated Statement to ensure conformity with the Group's accounting policies.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

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The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiaries. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Associate

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The Consolidated Statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee.

b) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred by the former owners of the acquired entity. Acquisition costs are expensed as incurred.

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

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

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

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in 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.

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A liability is current when:

- It is expected to be settled in 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

d) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition, net of accumulated depreciation and accumulated impairment, if any. The cost comprises purchase price, and any cost attributable to bringing the assets to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of 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 expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the Written down value method computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Computers	3 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Plant and machinery	15 Years
Office equipment	5 Years

Leasehold improvements are amortised over the lease terms or five years whichever is lower.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition 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.

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e) Other Intangible assets

Recognition and initial measurement

Intangible assets comprise brand, software's and non-compete fees which are stated at their cost of acquisition. The cost comprises purchase price, and any cost attributable to bringing the assets to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. These are recognised as assets if it is probable that future economic benefits attributable to such assets will flow to the Group and the cost of the assets can be measured reliably.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the 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 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 unless such expenditure forms part of carrying value of another asset.

Subsequent measurement (amortisation)
All intangible assets are amortised on straight line basis on the basis of useful lives (as set out below) except software which is amortised on Written down value basis.

Asset category	Estimated useful life (in years)
Brand	10 years
Software	6 years
Non-compete fee	3 years

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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.

f) Revenue recognition

Revenue of the Group arises mainly from the sale of Apparels & accessories.

To determine whether to recognise revenue, the Group follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST).

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

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The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position (see note 26). Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises a receivable in its statement of financial position.

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

g) Inventories

Inventories are valued as follows:

Raw materials are valued at lower of cost and net realisable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost is determined based on First in First out method.

Work-in-progress and finished goods (including consignment stock) are valued at lower of cost assessed at retail method and net realisable value. Cost includes direct materials, labour, and all other costs of purchase incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Traded goods are valued at cost including 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 method.

An inventory provision is recognized for cases where the realizable 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.

h) Share based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (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 other 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 expense or credit in the Consolidated Statement of profit and loss 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

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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 Consolidated Statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

i) **Leases**

Transition to Ind AS 116 – Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 - Leases which replaces the earlier leases standard, Ind AS 17 – Leases (effective during year ended 31 March 2019), and other interpretations. Ind AS 116 – Leases sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has used the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and taken the cumulative adjustment to retained earnings, on the date of initial application (1 April 2019). However, for the purpose of preparing Consolidated Statement, Ind AS 116 has been applied using the modified retrospective approach with effect from 1 April 2018.

For contracts in place at the date of initial application, the Group has elected to apply the definition of a lease from Ind AS 17 and Appendix C and has not applied Ind AS 116 to arrangements that were previously not identified as lease under Ind AS 17 and Appendix C.

On adoption of Ind AS 116, the Group recognised lease liabilities and right-of-use assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 01 April 2018. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 01 April 2018 was 8.85%.

The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of Ind AS 116, being 01 April 2018.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of Ind AS 116.

The Group as a lessee

The Group's lease asset classes primarily consist of property leases. 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: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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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 recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. 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. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

j) Foreign currency translation

Functional and presentation currency
The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Group.

Transactions and balances
Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the statement of profit and loss in the year in which they arise.

k) Fair value measurement of financial instruments

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset and liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

• Disclosure regarding significant estimates and assumptions- Note 2, paragraph u.
• Quantitative disclosures of fair value measurement hierarchy- Note 2, paragraph j.
• Financial instruments (including those carried at amortised cost) - Note 2, paragraph m.

l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised

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for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually near year end and when circumstances indicate that the carrying value may be impaired.
Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in borrowings under financial liabilities in the balance sheet.

n) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.
The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the statement of profit and loss.

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Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

o) Financial instruments

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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (f) Revenue recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- ► Financial assets at amortised cost (debt instruments)
- ► Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- ► Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- ► Financial assets at fair value through profit or loss

Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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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.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its 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-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.

Financial liabilities

Initial recognition and measurement

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

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

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and 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.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 de-recognition 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.

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Swap contracts
A forward contract is recognised as an asset or a liability on the commitment date. Outstanding forward contracts as at reporting date are using the mark to market information and resultant gain/(loss) is accounted in statement of profit and loss.

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.

p) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

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. When estimating the cash flows, the Group is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables
The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets
For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided. 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 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:
(i) All contractual terms of the financial instrument 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 entity is required to use the remaining contractual term of the financial instrument.
(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:
a. Financial assets measured as at amortised cost, contractual revenue receivables: 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.

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Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency 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 recognized 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 nonfinancial 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 recognized asset or liability or an unrecognized 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 recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

There is no other hedge instrument in the Group.

r) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

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s) Employee benefits:

(i) Defined contribution plans:

The Group contributes on a defined contribution basis to Employee's Provident Fund and Employee's State Insurance Fund towards post-employment benefits, all of which are administered by the respective Government authorities. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue.

(ii) Defined benefit plans:

The Group has a defined benefit plan namely gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the balance sheet date, which is calculated using projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined. Remeasurements are not reclassified to profit or loss in subsequent periods.

(iii) Other short-term benefits:

Expense in respect of other short term benefits including performance bonus is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

t) Contingent liabilities, provisions and contingent assets

The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Group; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

u) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

v) Investment

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investments intended to be held for more than one year are classified as long term investments.

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Current investments are valued at lower of cost and fair value. The diminution in current investments is charged to the statement of profit and loss and appreciation, if any, is recognized at the time of sale. Long term investments are stated at cost of acquisition unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health and specific prospects of the issuer.

w) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group is solely into manufacturing and retail of Indian wear. Based on the nature of business and internal reporting provided to the management for evaluation of the performance of the segment, the Group has a single reportable segment.

3. **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Group's Consolidated Statement requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Leases - Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgement.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets.

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(All amounts in ₹ lakhs unless otherwise stated)

4 Property, plant and equipment

Particulars	Office equipments	Computers	Furniture and fixtures	Leasehold improvements	Vehicles	Plant and machinery	Total
Gross carrying amount							
As at 01 April 2020	1,826.59	400.47	5,569.58	5,911.89	246.86	448.11	**14,403.50**
Additions	148.33	10.72	310.41	307.50	1.47	47.65	**826.08**
Disposals	-	0.48	5.73	461.73	-	11.57	**479.51**
At 31 March 2021	**1,974.92**	**410.71**	**5,874.26**	**5,757.66**	**248.33**	**484.19**	**14,750.07**
Additions	698.47	102.52	967.50	1,270.62	-	28.59	**3,067.70**
Disposals	69.69	10.40	228.87	455.46	121.58	6.55	**892.55**
At 31 March 2022	**2,603.70**	**502.83**	**6,612.89**	**6,572.82**	**126.75**	**506.23**	**16,925.22**
Accumulated depreciation							
As at 01 April 2020	1,191.41	295.37	2,860.41	3,641.88	149.11	208.21	**8,346.39**
Depreciation charge for the year	324.68	56.32	747.19	713.29	30.08	41.30	**1,912.86**
Disposals	-	0.47	3.70	461.73	-	6.26	**472.16**
At 31 March 2021	**1,516.09**	**351.22**	**3,603.90**	**3,893.44**	**179.19**	**243.25**	**9,787.09**
Depreciation charge for the period	314.80	58.23	738.44	774.66	20.03	43.74	**1,949.90**
Disposals	69.53	10.40	222.81	455.27	116.56	6.55	**881.12**
At 31 March 2022	**1,761.36**	**399.05**	**4,119.53**	**4,212.83**	**82.66**	**280.44**	**10,855.87**
Net carrying amount							
As at 31 March 2022	**842.34**	**103.78**	**2,493.36**	**2,359.99**	**44.09**	**225.79**	6,069.35
As at 31 March 2021	**458.83**	**59.49**	**2,270.36**	**1,864.22**	**69.14**	**240.94**	4,962.98

(i) Contractual obligations
Refer note 50 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, plant and equipment have been pledged as security for liabilities, for details refer note 42.

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(All amounts in ₹ lakhs unless otherwise stated)

5 Other intangible assets

Particulars	Biba brand	Software	Non compete fee	Total	Intangible Assests under development
Gross carrying amount					
As at 01 April 2020	438.52	443.97	11.11	**893.60**	-
Additions	-	4.97	-	**4.97**	-
Disposals	-	-	-	-	-
At 31 March 2021	**438.52**	**448.94**	**11.11**	898.57	-
Additions	-	47.57	-	**47.57**	454.19
At 31 March 2022	**438.52**	**496.51**	**11.11**	946.14	**454.19**
Accumulated amortisation					
As at 01 April 2020	81.02	349.92	11.11	**442.05**	-
Amortisation charge for the year	36.38	37.99	-	**74.37**	-
Disposals	-	-	-	-	-
At 31 March 2021	**117.40**	**387.91**	**11.11**	**516.42**	-
Amortisation charge for the period	69.91	42.43	-	**112.34**	-
At 31 March 2022	**187.31**	**430.34**	**11.11**	**628.76**	-
Net carrying amount					
At 31 March 2022	**251.21**	**66.17**	-	**317.38**	**454.19**
At 31 March 2021	**321.12**	**61.03**	-	**382.15**	-

Intangible assets under development ageing schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	454.19	-	-	-	454.19

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Particulars	As at 31 March 2022	As at 31 March 2021
6 Investments accounted for using the equity method		
In equity instruments (fully paid)		
- Anjuman Brand Designs Private Limited		
- Anjuman Brand Designs Private Limited (refer note below) 854,926 (previous year: 854,926) equity shares of ₹ 10 each	615.06	615.06
Add: loss from associate using equity method of accounting	(25.68)	(40.93)
	589.38	**574.13**
Aggregate value of unquoted investments	**589.38**	**574.13**

Note: Investment in Anjuman Brand Design Private Limited includes goodwill of ₹ 471.76 lakhs (previous year ₹ 471.76 lakhs).

Particulars	As at 31 March 2022	As at 31 March 2021
7 Investments		
Investments at amortised cost		
Tax free bonds (quoted)		
In Government entities		
Housing and Urban Development Corporation Limited 4,517 (previous year: 4,517) tax free bonds of ₹ 1,000 each	45.17	46.14
National Bank for Agriculture and Rural Development 10,020 (previous year: 10,020) tax free bonds of ₹ 1,000 each	114.89	112.53
	160.06	**158.67**
Aggregate value of quoted investments	**160.06**	**153.70**
Market value of quoted investments	**177.75**	**176.58**
8 Other non-current financial assets		
Security deposits	2,206.71	3,159.00
Fixed deposits with banks with maturity period of more than 12 months*	19.91	9.28
	2,226.62	**3,168.28**

*includes fixed deposits pledged with government authorities amounting to ₹ 13.42 lakhs (previous year: ₹ 7.70 lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
9 Non-current tax asset (net)		
Advance income tax (net of provision)	677.29	360.21
	677.29	**360.21**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
10 Deferred tax assets		
Deferred tax assets on account of:		
Investments accounted for using the equity method	6.46	10.30
Property, plant and equipment	437.05	394.54
Provision for employee benefits	106.99	92.81
Financial assets at amortised cost	328.95	77.73
Right of use assets net of lease liabilities	1,240.23	1,572.09
Amount disallowed under section 40a(ia)	63.88	35.01
Provision for doubtful debts	73.61	17.22
Provision for doubtful advance	35.03	7.63
Provision for doubtful deposits	33.08	-
Brought forward losses	-	220.02
Foreign exchange loss	1.37	-
	2,326.65	**2,427.36**

Movement in deferred tax assets during year ended 31 March 2022

Particulars	As at 31 March 2021	Recognised in OCI	Recognised in profit and loss	As at 31 March 2022
Deferred tax assets				
Property, plant and equipment	394.54	-	42.51	437.05
Amount disallowed under section 40a(ia)	35.01	-	28.87	63.88
Provision for doubtful debts	17.22	-	56.38	73.61
Provision for doubtful advance	7.63	-	27.40	35.03
Provision for doubtful deposits	-	-	33.08	33.08
Financial assets at amortised cost	77.73	-	251.22	328.95
Provision for employee benefits	92.81	(4.73)	18.91	106.99
Right of use assets net of lease liabilities	1,572.09	-	(331.86)	1,240.23
Brought forward losses	220.02	-	(220.02)	-
Foreign exchange loss	-	-	1.37	1.37
Investments accounted for using the equity method	10.30	-	(3.84)	6.46
Total	**2,427.35**	**(4.73)**	**(95.98)**	**2,326.65**

Movement in deferred tax during year ended 31 March 2021

Particulars	As at 31 March 2020	Recognised in OCI	Recognised in profit and loss	As at 31 March 2021
Deferred tax assets				
Property, plant and equipment	332.02	-	62.52	394.54
Fair value of investment	1.24	-	(1.24)	-
Amount disallowed under section 40a(ia)	12.54	-	22.47	35.01
Provision for doubtful debts	11.82	-	5.40	17.22
Provision for doubtful advance	-	-	7.63	7.63
Financial assets at amortised cost	23.11	-	54.62	77.73
Provision for employee benefits	81.33	1.89	9.59	92.81
Right of use assets net of lease liabilities	1,472.09	-	100.00	1,572.09
Brought forward losses	-	-	220.02	220.02
Investments accounted for using the equity method	5.45	-	4.85	10.30
Total	**1,939.60**	**1.89**	**485.86**	**2,427.35**

Particulars	As at 31 March 2022	As at 31 March 2021
11 Other non-current asset		
Capital advances	113.43	239.62
Balances with government authorities	64.03	66.02
Prepaid expenses	49.50	-
	226.96	**305.64**

Particulars	As at 31 March 2022	As at 31 March 2021
12 Inventories*^		
Raw material	1,352.04	683.88
Work-in-progress**	4,595.19	724.14
Finished goods	25,528.55	29,552.93
(including stock-in-trade of ₹ 217.18 lakhs (previous year: ₹ 134.05 lakhs)		
Finished goods-in-transit	1,511.23	1,051.94
	32,987.01	**32,012.89**

*Inventories have been pledged as security for borrowings, for details refer note 42

** Represent inventories with the vendors sent for job work ₹ 4595.19 lakhs (previous year: ₹ 724.14 lakhs)

^The Holding company has recorded few class of finished goods at the net realisable value (NRV), as their realisable value is lower than the cost of production. The total NRV adjustments made in the value of such goods is ₹ 105.49 lakhs (previous year ₹ 62.20 lakhs). This was recognised as an expense during the year and included in 'changes in inventories of finished goods' in the statement of profit and loss.

Particulars	As at 31 March 2022	As at 31 March 2021
13 Trade receivables		
Considered good-considered good-unsecured	3,949.83	6,772.88
Trade receivables - credit impaired	292.47	68.43
	4,242.30	6,841.31
Less: loss allowance	292.47	68.43
	3,949.83	**6,772.88**

(i) Trade receivables have been pledged as security for borrowings, for details refer note 42.

(ii) Refer note 40 - Financial risk management for assessment of expected credit loss.

(iii)The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.

Trade receivables ageing schedule

Particular	March 31, 2022	March 31, 2021
(i) Undisputed Trade Receivables - Considered good		
Outstanding for the following periods from the due date of payments		
Not Due	2,621.22	4,661.46
Less than 6 months	1,261.42	1,886.91
6 months - 1 year	60.74	182.60
1-2 years	6.45	26.43
2-3 years	-	8.69
More than 3 years	-	6.79
Total	**3,949.83**	**6,772.88**
(i) Undisputed Trade Receivables - credit impaired		
Outstanding for the following periods from the due date of payments		
Less than 6 months	198.63	-
6 months - 1 year	5.86	8.42
1-2 years	7.40	38.13
2-3 years	43.15	13.81
More than 3 years	37.43	8.07
Total	**292.47**	**68.43**

Particulars	As at 31 March 2022	As at 31 March 2021
14 Cash and cash equivalents		
Balance with banks		
- with scheduled banks in current accounts	82.63	87.65
- with scheduled banks in cash credit account	701.18	73.86
Cash on hand	400.33	235.33
	1,184.14	**396.84**

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There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.

Particulars	As at 31 March 2022	As at 31 March 2021
15 Bank balances other than cash and cash equivalents (unsecured, considered good)		
Deposits with maturity of more than 3 months but less than 12 months*	15.69	134.44
	15.69	**134.44**

*includes fixed deposits pledged with government authorities amounting to ₹ 8.97 lakhs (previous year: ₹ 24.85 lakhs)
The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.

Particulars	As at 31 March 2022	As at 31 March 2021
16 Other current financial assets		
(Considered good - unsecured)		
Security deposits	1,437.78	1,447.88
Security deposits- Considered doubtful	131.43	-
Less: provision for doubtful deposits	(131.43)	-
Credit card receivable	92.86	74.23
Staff advances	360.01	18.89
	1,890.65	**1,541.00**

The carrying amounts of financial assets are considered to be a reasonable approximation of their fair values.

Particulars	As at 31 March 2022	As at 31 March 2021
17 Other current assets		
(unsecured considered good, unless otherwise stated)		
Advances to suppliers- considered good	1,211.07	851.52
Advances to suppliers- considered doubtful	139.19	30.33
Less: provision for doubtful advances	(139.19)	(30.33)
Prepaid expenses	138.45	76.68
Balances with government authorities	747.84	619.87
Other advances^	1,205.85	1,228.02
	3,303.21	**2,776.09**

^ It includes GST paid to government on primary sales (for sales on return basis)

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18 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Authorised share capital				
Equity shares of ₹ 10 each (previous year: ₹ 10 each)	1,350.00	13,500.00	1,200.00	12,000.00
	1,350.00	**13,500.00**	**1,200.00**	**12,000.00**
Issued, subscribed and paid up share capital				
Equity shares of ₹ 10 each (previous year: ₹ 10 each)	1,250.63	12,506.28	1,250.63	12,506.28
	1,250.63	**12,506.28**	**1,250.63**	**12,506.28**

a) Reconciliation of number of shares outstanding at the beginning and end of the year

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Balance at the beginning of the year	1,250.63	12,506.28	1,197.30	11,972.95
Add: shares issued during the year	-	-	53.33	533.33
Balance at the end of the year	**1,250.63**	**12,506.28**	**1,250.63**	**12,506.28**

b) Details of shareholders holding more than 5% of the shares of the Company*

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares (in lakhs)	% of holding	Number of shares (in lakhs)	% of holding
Mrs. Meena Bindra	64.79	5.18%	126.62	10.12%
Mr. Siddharath Bindra	565.01	45.18%	500.50	40.02%
Dhanvan Impex Private Limited	100.00	8.00%	100.00	8.00%
Highdell Investment Ltd	368.48	29.46%	368.48	29.46%

*As per the records of the Company, including its register of shareholder/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

c) Shares held by promoters at the end of the period.

Promoter name	As at 31 March 2022		
	Number of shares (in million)	% of total shares	% Change during the year
Mrs. Meena Bindra	64.79	5.18%	-48.83%
Mr. Siddharath Bindra	565.01	45.18%	12.89%
Mrs. Shradha Bindra	37.50	3.00%	0.00%
Dhanvan Impex Private Limited	100.00	8.00%	0.00%
Kaveri Tradex Private Ltd	42.37	3.39%	-4.46%
Total	**809.67**	**64.75%**	**-40.40%**

Promoter name	As at 31 March 2021		
	Number of shares (in million)	% of total shares	% Change during the year
Mrs. Meena Bindra	126.62	10.12%	7.95%
Mr. Siddharath Bindra	500.50	40.02%	0.81%
Mrs. Shradha Bindra	37.50	3.00%	0.00%
Dhanvan Impex Private Limited	100.00	8.00%	0.00%
Kaveri Tradex Private Ltd	44.35	3.55%	0.00%
Total	**808.97**	**64.69%**	**8.76%**

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18 Equity share capital

d) Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹ 10 each (previous year: ₹ 10 each). Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Group, holders of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

e) During the year ended 31 March 2017, pursuant to the shareholders approvals under Section 63 and other applicable provisions of the Companies Act, 2013, the Holding Company had issued bonus shares in the ratio of 24:1 (i.e. twenty four bonus equity share of ₹ 10 each for every one fully paid up equity share of ₹ 10 each) to the shareholders on record date of 3 February 2017, by capitalising securities premium account, general reserve and retained earnings by sum of ₹ 1,863.89 lakhs, ₹ 3,483.35 lakhs and ₹ 6,140.08 lakhs respectively.

The Group has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of immediately preceding five years except bonus shares issued during the year ended 31 March 2017 as mentioned above.

f) Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the Company, please refer note 48.

19 Other equity

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Surplus in the statement of profit and loss		
Balance at the beginning of the year	15,540.40	16,728.50
Add: Profit/(Loss) for the year	1,228.74	(1,182.47)
Add: other comprehensive income (net of tax)	13.34	(5.63)
Balance at the end of the period	**16,782.48**	**15,540.40**
Employee Stock option reserve		
Balance at the beginning of the period	7.88	-
Add: Recognised during the period	13.76	7.88
	21.64	**7.88**
Securities premium^		
Balance at the beginning of the period	3,559.42	92.75
Add: shares issued during the period	-	3,466.67
Balance at the end of the period	3,559.42	3,559.42
Foreign currency translation reserve		
Balance at the beginning of the period	-	-
Add: created during the period	(0.42)	-
Balance at the end of the period	**(0.42)**	-
Total	**20,363.12**	**19,107.70**

Note:

1.^ Securities premium is used to record the premium on issue of shares. The premium will be utilised in accordance with provisions of the Companies Act 2013.

2. Retained Earnings are the profits that the group has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

3. The share options outstanding account is used to recognise the grant date fair value of options issued to employees under the holding company's Employee stock option plan. Refer Note 48.

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
20 Non-current financial liabilities-borrowings		
Indian rupee loans		
- from banks	3,319.67	2,788.57
Total borrowings	**3,319.67**	**2,788.57**
Less: current maturities of long term debt	970.36	452.86
	2,349.31	**2,335.71**

(i) Details of security, repayment terms and interest rate on the borrowings is provided below-

Particulars	Rate of Interest (%)	As at 31 March 2022	As at 31 March 2021
ICICI Bank First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in 14 quarterly instalments commencing from December 2020 and to be repaid by March 2024	1 Year MCLR + 0.25%	685.71	1,028.57
Axis Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in monthly instalments commencing from Dec 2021 and to be repaid by Nov 2025	12M MCLR + 0.25%	705.83	770.00
Axis Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders). Repayable in monthly instalments commencing from Jan 2022 and to be repaid by Dec 2025	12M MCLR + 0.25%	928.13	990.00
Kotak Mahindra Bank- Emergency Credit line guarantee scheme Second pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders). Repayment in 48 equal monthly instalments starting from July 2022 and to be repaid by June 2026	1 Year MCLR + 0.25%	1,000.00	-
Total		**3,319.67**	**2,788.57**

Particulars	As at 31 March 2022	As at 31 March 2021
21 Non-current provisions		
Provision for gratuity (refer note 46)	137.75	252.89
	137.75	**252.89**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
22 Current financial liabilities-borrowings		
Secured loans		
Current maturities of long term debt (refer note 20)	970.36	452.86
Cash credit facilities (secured)		
Indian rupee loans repayable on demand (from banks)	6,317.01	8,189.50
	7,287.37	**8,642.36**

(i) Details of security and interest rate on the borrowings is provided below-

Particulars	Rate of Interest (%)	As at 31 March 2022	As at 31 March 2021
Indian rupee loans repayable on demand (secured)			
Axis Bank	12M MCLR+ 1%	-	687.18
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
HDFC Bank	1 Year MCLR	-	2.33
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
Working capital demand loan from banks (secured)			
HDFC Bank	6.20%	489.41	1,000.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
Axis Bank	6.15%	2,822.59	2,500.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
Kotak Mahindra Bank	6.20%	500.00	2,000.00
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
ICICI Bank	6.15%	2,505.01	-
First pari passu charge by way of hypothecation of entire current assets and movable fixed assets of the holding company, both present and future (excluding vehicles exclusively charged to lenders).			
Citi Bank	Ranging between 6.20% to 6.50%	-	2,000.00
First pari passu charge on present and future stocks and book debts of the Borrower including card receivables along with present and future movable fixed assets of the Borrower excluding vehicles specifically charged to other lenders.			
Total		**6,317.01**	**8,189.51**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
23 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 51)	2,263.56	1,366.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,658.05	3,724.83
	6,921.61	**5,091.77**

Trade payables ageing schedule

Particular	March 31, 2022	March 31, 2021
(i) Micro Enterprises and Small Enterprises		
Outstanding for the following periods from the due date of payments		
Unbilled	-	-
Less than 1 Year	2,256.43	1,366.77
1-2 years	6.94	0.17
2-3 years	-	-
More than 3 years	0.19	-
Total	**2,263.56**	**1,366.94**
(i) Other than Micro Enterprises and Small Enterprises		
Outstanding for the following periods from the due date of payments		
Unbilled	1,584.20	736.93
Less than 1 Year	2,914.77	2,431.82
1-2 years	60.42	502.42
2-3 years	78.92	20.17
More than 3 years	15.35	33.48
Total	**4,653.66**	**3,724.82**

24 Other current financial liabilities		
Interest accrued but not due	-	49.65
Deposit from vendors	-	70.83
Deposit from franchise stores	946.51	671.43
Deposit from others	-	8.00
Creditors for capital goods	247.05	146.91
	1,193.56	**946.82**
25 Other current liabilities		
Statutory dues payable	432.87	340.46
Advance from customers	90.79	216.88
	523.66	**557.34**
26 Current provisions		
Provision for gratuity (refer note 46)	265.73	118.28
	265.73	**118.28**

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(All amounts in ₹ lakhs unless otherwise stated)

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
27	**Revenue from operations**		
	Sales		
	- Export	1,989.37	1,230.74
	- Domestic	60,880.66	51,343.06
		62,870.03	**52,573.80**
	Other operating revenue		
	- Export incentives	30.05	0.74
	- Scrap sale	24.00	7.47
		54.05	**8.21**
		62,924.08	**52,582.01**
28	**Other income**		
	Interest income:		
	-on fixed deposits	2.15	3.35
	-on investment	12.09	11.69
	-on financial asset at amortised cost	281.94	101.37
	-on income tax refund	-	96.31
	Insurance claim received	24.48	10.44
	Gain on disposal of property, plant and equipment	3.22	0.39
	Gain on termination of right-of-use assets	802.01	562.94
	Rent concession of lease rentals	2,187.64	3,505.81
	Miscellaneous income	87.14	43.60
		3,400.67	**4,335.90**
29	**Cost of materials consumed**		
	Raw materials consumed		
	Opening stock	683.88	721.35
	Add: purchases	16,019.83	9,619.87
		16,703.71	10,341.22
	Less: closing stock	1,352.04	683.88
		15,351.67	**9,657.34**
	Details of raw material and other consumables consumed		
	Fabric	6,536.60	9,255.61
	Accessories and job work	8,815.07	401.72
	Total	**15,351.67**	**9,657.33**
30	**Job work charges**		
	Dying and printing charges	2,478.32	985.08
	Stitching charges	5,335.49	5,670.06
		7,813.81	**6,655.14**
31	**Changes in inventories of finished goods and work-in-progress**		
	Opening stock:		
	Work-in-progress	724.14	5,260.64
	Finished goods (including stock-in-trade and stock-in-transit)	30,604.87	31,822.39
		31,329.01	**37,083.03**
	Closing stock:		
	Work-in-progress	4,688.15	724.14
	Finished goods (including stock-in-trade and stock-in-transit)	26,944.97	30,604.87
		31,633.12	**31,329.01**
		(304.11)	**5,754.02**

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
32 Employee benefits expense		
Salaries and wages	8,175.56	6,502.73
Employee stock option expense	13.76	7.88
Gratuity expense (refer note 46)	86.24	92.02
Contribution to provident and other funds (refer note 46)	429.65	354.26
Staff welfare expense	201.45	177.38
	8,906.66	**7,134.27**
33 Finance cost		
Interest expenses on:		
-term loans and cash credit	705.81	1,021.11
-others	5.68	23.13
Interest on lease liabilities	3,513.18	3,260.60
	4,224.67	**4,304.84**
34 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	1,949.78	1,912.86
Amortisation of right-of-use asset	6,136.18	6,352.32
Amortisation of intangible assets	112.34	74.37
	8,198.30	**8,339.55**
35 Other expenses		
Franchise/sales commission	8,693.60	7,553.23
Advertisement	3,702.18	2,202.08
GST input written off	-	258.44
Rent and mall maintenance	998.07	1,185.33
Electricity expenses	763.98	940.04
Bank charges and commission	221.15	292.71
Foreign exchange fluctuation loss (net)	5.46	2.49
Rates and taxes	164.30	79.02
Repairs and maintenance - Others	868.00	602.80
Insurance	74.78	68.11
Legal and professional	919.78	560.03
Payment to auditors (refer note A below)	31.34	37.27
Communication	82.23	74.80
Travelling and conveyance	222.65	131.97
Membership and subscription	42.94	6.86
Printing and stationery	41.14	36.58
Corporate social responsibility expenses (refer note 52)	19.37	155.41
Merchant commission	153.47	125.16
Store expenses	63.21	91.87
Security expenses	40.41	37.68
Outsource salary	675.20	521.04
Business promotion	71.73	55.63
Packing materials	154.56	116.47
Freight, octroi, forwarding charges and entry tax	1,517.10	1,245.32
Provision for bad and doubtful debts	224.04	111.36
Provision for doubtful advances	150.08	30.33
Provision for doubtful deposits	131.43	-
Preliminary expenses	59.64	-
Miscellaneous balances written off	56.24	496.28
Miscellaneous expenses	28.42	12.12
	20,176.50	**17,030.43**

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Particulars	Year ended 31 March 2022	Year ended 31 March 2021
35 Other expenses		
A) Payment to auditors include:		
Audit fee	29.37	35.30
For other services	0.25	1.05
Reimbursement of expenses	1.72	0.92
	31.34	**37.27**
36 Exceptional items		
Advances and other receivables written off	-	0.77
	-	**0.77**
37 Income tax		
(a) Income tax expense		
- Current tax	321.94	-
- Tax earlier year	-	(408.31)
- Deferred tax	96.57	(485.86)
Income tax expense	**418.51**	**(894.17)**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (previous year: 25.17%) and the reported tax expense in profit or loss are as follows:

(b) Reconciliation of tax expense and the accounting profit

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(Loss)/profit before income tax expense (before exceptional items)	1,630.72	(2,055.70)
Statutory income tax rate	25.17%	25.17%
Amount of tax at statutory income tax rate	410.45	(517.42)
Adjustments:		
Effect of non-deductible expenses	6.83	105.27
Income exempt from tax	3.04	(2.94)
Tax pertaining to earlier years	(30.87)	(408.31)
Others	29.06	(70.77)
Total	**8.06**	**(376.75)**
Amount of tax at statutory income tax rate post adjustments	**418.51**	**(894.17)**

38 Earning per share

Particulars	31 March 2022	31 March 2021
Net profit attributable to equity shareholders		
(Loss)/profit after tax	1,228.21	(1,183.93)
Nominal value of equity share (₹)	10	10
Total number of equity shares outstanding at the beginning of the year (in lakhs)	1,250.63	1,197.30
Add: shares issued during the year (in lakhs)	-	53.33
Total number of equity shares outstanding at the end of the year (in lakhs)	1,250.63	1,250.63
Weighted average number of equity shares (in lakhs)	1,250.63	1,233.09
Basic and diluted earnings per share (₹)	**0.98**	**(0.96)**

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(All amounts in ₹ lakhs unless otherwise stated)

39 Financial instruments

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

During the year, there were no transfers between level 1 and level 2, and no transfers into and out of level 3 fair value measurements.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

There are no assets/liabilities carried at fair value as at 31 March 2022 and 31 March 2021

(iii) Valuation technique used to determine fair value

Fair value of swap contracts is determined using forward rate at balance sheet date, based on dealer or counterparty quotes for similar instruments.

iv) Fair value of instruments measured at amortised cost

Particulars	Level	31 March 2022		31 March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investment	Level 3	160.06	177.75	158.67	176.58
Other financial assets	Level 3	3,644.49	3,644.49	4,606.88	4,606.88
Total financial assets		**3,804.55**	**3,822.24**	**4,765.55**	**4,783.46**
Financial liabilities					
Borrowings	Level 3	9,636.68	9,636.68	10,978.07	10,978.07
Total financial liabilities		**9,636.68**	**9,636.68**	**10,978.07**	**10,978.07**

For cash and bank balances, trade receivables, fixed deposits, other receivables, trade payables and other current financial liabilities, the management assessed that their far value is approximate their carrying amounts largely due to the short-term maturities of these instruments.

40 Financial risk management

i) Financial instruments by category

Particulars	31 March 2022		31 March 2021	
	Fair Value	Amortised cost	Fair Value	Amortised cost
Financial assets				
Investment in tax free bonds	-	160.06	-	158.67
Trade receivables	-	3,949.83	-	6,772.88
Cash and equivalents	-	1,184.14	-	396.84
Other bank balances	-	15.69	-	134.44
Other financial asset	-	4,117.27	-	4,709.28
Total	-	**9,426.99**	-	**12,172.12**
Financial liabilities				
Borrowings (including interest accrued)	-	9,636.68	-	11,027.72
Trade payables	-	6,921.61	-	5,091.77
Security deposits received	-	946.51	-	750.27
Lease liabilities	-	35,860.52	-	34,081.96
Other financial liabilities	-	247.05	-	146.91
Total	-	**53,612.37**	-	**51,098.63**

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(All amounts in ₹ lakhs unless otherwise stated)

ii) Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Group's risk management is carried out as per the policies approved by the board of directors.

A) Credit risk

Credit risk is the risk that a customer or counterparty fails to discharge an obligation to the Group. The group's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.
- cash and cash equivalents,
- trade receivables,
- loans carried at amortised cost, and
- other bank balances

Credit risk management

(i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

The Group provides for expected credit loss based on the following:

Asset group	Categorisation of items	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
High credit risk	Trade receivables	Life time expected credit loss fully provided for.

Assets under credit risk –

Credit rating	Particulars	31 March 2022	31 March 2021
A: Low credit risk	Cash and cash equivalents	1,184.14	396.84
	Investments	160.06	158.67
	Trade receivables	3,949.83	6,772.88
	Other bank	15.69	134.44
	Other financial assets	4,117.27	4,709.28
B: High credit risk	Trade receivables	292.47	68.43

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

To mitigate the credit risk related to trade receivables, the Group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due by 1 year.

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(All amounts in ₹ lakhs unless otherwise stated)

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, loan given etc. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

ii) Concentration of trade receivables

The Group's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans given and deposits given for business purposes.

Particulars	31 March 2022	31 March 2021
Franchise stores	21.90	37.54
Multi brand outlets	885.00	1,486.91
Wholesale customers	2,761.01	5,130.76
Others	281.92	117.67
Total	**3,949.83**	**6,772.88**

b) Credit risk exposure

Trade receivables

In respect of trade receivables, the Group considers provision for lifetime expected credit loss. Given the nature of business operations, the Group's trade receivables has low credit risk as there is a prompt collection from debtors within a period ranging from three to six months.

Other financial assets measured at amortised cost

Group provides for loss allowance on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the Group can draws to apply consistently to entire population. For such financial assets, the Group's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Group does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

Reconciliation of loss allowance:

Particulars	Trade receivables
Loss allowance as on 01 April 2020	**55.02**
Impairment loss recognised/(reversed) during the year	111.36
Bad debts recognised in the current year out of provision	(97.95)
Loss allowance on 31 March 2021	**68.43**
Impairment loss recognised during the year	224.04
Bad debts recognised in the current year out of provision	-
Loss allowance on 31 March 2022	**292.47**

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

a) Financing arrangements

The Group has access to the following undrawn borrowing facilities a

Particulars	31 March 2022	31 March 2021
- Expiring within one year (cash credit and other facilities)	14,482.99	10,510.49

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b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2022	Less than 1 year	1-2 year	More than 2 years	Total
Non-derivatives				
Borrowings (including interest)	7,508.32	1,176.69	1,417.19	**10,102.20**
Trade payables	6,921.61	-	-	**6,921.61**
Security deposits received	946.51	-	-	**946.51**
Other financial liabilities	247.05	-	-	**247.05**
Lease liabilities	8,322.31	7,492.03	33,364.21	**49,178.55**
Total	**23,945.80**	**8,668.72**	**34,781.40**	**67,395.91**

31 March 2021	Less than 1 year	1-2 year	More than 2 years	Total
Non-derivatives				
Borrowings (including interest)	8,855.29	944.16	1,707.88	**11,507.33**
Trade payables	5,091.77	-	-	**5,091.77**
Security deposits received	750.26	-	-	**750.26**
Other financial liabilities	146.91	-	-	**146.91**
Lease liabilities	8,577.56	7,077.44	30,881.20	**46,536.20**
Total	**23,421.79**	**8,021.60**	**32,589.08**	**64,032.47**

C) Market risk

i) Foreign currency risk exposure:

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31 March 2022	31 March 2021
Exposure in USD		
Financial Assets		
Trade receivables (in ₹ lakhs)	24.11	0.05
Trade receivables (in USD)	0.32	0.00
Exposure in CAD		
Financial Assets		
Trade receivables (in ₹ lakhs)	79.94	18.38
Trade receivables (in CAD)	1.32	0.32

ii) Sensitivity

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

Particulars	31 March 2022		31 March 2021	
	Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%
USD sensitivity*				
Trade receivables (in ₹ lakhs)	0.24	(0.24)	0.00	(0.00)
CAD sensitivity*				
Trade receivables (in ₹ lakhs)	0.80	(0.80)	0.18	(0.18)

* *Holding all other variables constant*

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(All amounts in ₹ lakhs unless otherwise stated)

b) Interest rate risk

i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2022, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	31 March 2022	31 March 2021
Variable rate borrowing	9,636.68	10,978.07
Fixed rate borrowing*	-	-
Total borrowings	**9,636.68**	**10,978.07**

*For fixed rate borrowing, the management has assessed that their fair value is almost equivalent to their carrying amounts, largely due to the rate of interest of these instruments, which is approximately equal to market rate of interest for the Group and being entire loan taken from third party.

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2022	31 March 2021
Interest sensitivity*		
Interest rates – increase by 50 bps basis points	48.18	54.89
Interest rates – decrease by 50 bps basis points	(48.18)	(54.89)

* *Holding all other variables constant*

ii) Assets

The Group's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

c) Price risk

Exposure

The Group's exposure to price risk arises from investments held and classified as FVTPL.

41 Capital management

(a) Risk management

The Group' s capital management objectives are
- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31 March 2022	31 March 2021
Total borrowings (excluding interest accrued)	9,636.68	10,978.07
Less: cash and cash equivalent	1,184.14	396.84
Net debt	**8,452.54**	**10,581.23**
Total equity	32,480.73	31,225.84
Net debt to equity ratio	**26.02%**	**33.89%**

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(All amounts in ₹ lakhs unless otherwise stated)

42 Assets pledged as security*

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Inventories	32,892.20	32,012.89
Trade receivables	4,179.70	6,772.88
Cash and cash equivalents and other bank balances	1,161.85	529.02
Loans, other financial assets and other current assets	5,122.18	4,317.09
Total current assets pledged as security	**43,355.93**	**43,631.88**
Non-current		
Property, plant and equipment	3,467.81	3,029.62
Total assets pledged as security	**46,823.74**	**46,661.50**

* Assets are pledged for Holding Company only against the loans taken by the Holding Company.

43 Group information

(a) Information about subsidiary

The Group's details as at 31 March 2022 is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	County of incorporation	% equity Interest	
			31 March 2022	31 March 2021
IMA Clothing Private Limited	Apparel industry	India	51.00%	51.00%
BIBA Apparels Trading LLC	Trading of apparels	United Arab Emirates	100.00%	-

(b) Interests in associate

Set out below is the details of associate of the Group as at 31 March 2022. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Principal activities	Place of business	% equity Interest	Relationship	Accounting method
Anjuman Brand Designs Private Limited	Apparel industry	India	36.82%	Associate	Equity method

Anjuman Brand Designs Private Limited is primarily engaged in the business of manufacturing of garments and providing related consultancy under the brand name of Anju Modi.

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Summarised financial information for associate

The tables below provide summarised financial information for the associate. The information disclosed reflects the amounts presented in the financial statements of the associate and not BIBA Apparels Private Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method.

Summarised balance sheet	Anjuman Brand Designs Private Limited	
	31 March 2022	31 March 2021
Current assets		
Cash and cash equivalents	27.88	25.52
Other assets	444.67	349.89
Total current assets	**472.55**	**375.41**
Total non-current assets	**166.45**	**296.09**
Current liabilities		
Financial liabilities(excluding trade payables)	44.26	39.40
Other liabilities	94.04	84.63
Total current liabilities	**138.30**	**124.03**
Non-current liabilities		
Financial liabilities(excluding trade payables)	87.24	176.46
Other liabilities	17.58	16.57
Total non-current liabilities	**104.82**	**193.03**
Net assets	**395.88**	**354.44**

Reconciliation to carrying amounts

Particulars	Anjuman Brand Designs Private Limited	
	31 March 2022	31 March 2021
Opening net assets	354.44	406.81
Profit for the year	43.46	(58.76)
Other comprehensive income	(2.02)	6.39
Total closing net assets for consolidation	395.88	354.44
Group's share in %	36.82%	36.82%
Group's share in Indian Rupees	145.76	130.50
Carrying amount	**145.76**	**130.50**

Investment in Anjuman Brand Design Private Limited includes goodwill of ₹ 471.76 lakhs (previous year ₹ 471.76 lakhs)

Summarised statement of profit and loss

Particulars	Anjuman Brand Designs Private Limited	
	31 March 2022	31 March 2021
Revenue	576.86	386.76
Profit for the year	43.46	(58.76)
Other comprehensive income	(2.02)	6.39
Total comprehensive income	**41.44**	**(52.37)**

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(All amounts in ₹ lakhs unless otherwise stated)

44 Related party disclosure

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with

Relationship

A) Associate Company:
Anjuman Brand Designs Private Limited

B) Key managerial personnel:

a) Mrs. Meena Bindra	Director
b) Mr. Siddharath Bindra	Managing Director
c) Mr. Anish Kumar Saraf (w.e.f. 01 May 2019)	Director
d) Mr. Sameer Mohan Shroff (15 October 2020 till 08 February 2022)	Director
e) Mr. Vikram Nagpal (w.e.f. 15 October 2020)	Chief financial officer
f) Mr. Sandeep Dattaram Deshpande (06 January 2020 till 30 September 2020)	Chief financial officer
g) Mr. Sachin Agarwal (w.e.f. 07 August 2019)	Company Secretary
h) Gagan Makar Singh (w.e.f. 10 March 2022)	Independent Director
i) Saurabh Modi (w.e.f. 10 March 2022)	Independent Director
j) Pradeep Banerjee (w.e.f. 10 March 2022)	Independent Director

C) Relatives of key managerial personnel (with whom there were transactions during the year):
Mrs. Shradha Bindra (wife of Mr. Siddharath Bindra)

D) Enterprises over which key managerial personnel of the Group and their relatives have significant influence:
Meena Agritech Private Limited

E) Enterprises that exercise significant influence:
Highdell Investment Ltd

i) **The following transaction were carried out with related parties in the ordinary course of business**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A) Key managerial personnel		
Mrs. Meena Bindra		
Remuneration (refer note (a))	95.91	47.75
Loan taken	-	130.00
Interest on loan given	-	15.75
Loan repaid	-	580.00
Receipt against issue of shares	-	700.00
Mr. Siddharath Bindra		
Remuneration (refer note (a))	386.69	110.76
Rent Paid	12.00	5.00
Receipt against issue of shares	-	300.00
Mr. Vikram Nagpal		
Remuneration (refer note (a))	89.77	34.86
	-	-
Mr. Sandeep Dattaram Deshpande		
Remuneration (refer note (a))	-	28.60
Mr. Sachin Agarwal		
Remuneration (refer note (a))	45.38	31.60
Mr. Gagan Makar Singh		
Sitting Fees	1.50	-

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(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Mr. Pradeep Banerjee		
Sitting Fees	0.75	-
Mr. Saurabh Modi		
Sitting Fees	1.50	-
B) Relatives of key managerial personnel		
Mrs. Shradha Bindra		
Remuneration	47.44	51.82
C) Associate Company		
Anjuman Brand Designs Private Limited		
Purchase of sample/expenses	0.64	-
D) Enterprises that exercise significant influence:		
Highdell Investment Ltd		
Receipt against issue of shares	-	3,000.00
Note (a)		
Breakup for Key management personnel's compensation in the following categories:-		
Short-term employee benefits	596.41	241.88
Post-employment benefits *#	21.34	11.70
	617.75	**253.58**

* excludes provision for future liability in respect of gratuity which is based on actuarial valuation done for the Group as a whole.

\# includes provident fund

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
ii) Balances at the year end		
Associate Company		
A) Anjuman Brand Designs Private Limited		
Investment in equity shares	615.06	615.06
Advance given	11.80	11.80
B) Key managerial personnel		
Mrs. Meena Bindra		
Salary payable	6.61	3.69
Mr. Siddharath Bindra		
Salary payable	22.23	0.01
Mr. Vikram Nagpal		
Salary payable	3.96	6.68
Mr. Sachin Agarwal		
Salary payable	1.43	2.88
C) Relatives of key managerial personnel		
Mrs. Shradha Bindra		
Salary payable	3.01	4.26

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(All amounts in ₹ lakhs unless otherwise stated)

45 Ind AS 115 - Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5 step approach:
(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

In case of certain contracts with customers, the Group sell the goods to certain multi brand outlets (MBO's), E-com distributors and other distributors with a right to return the unsold goods to the Company. In such cases, the Group acts as an principal and these MBO's and distributors acts as agents in selling these goods to retail customers. Hence, revenue from such sales are grossed up with the commission paid to these MBO's and distributors and commission paid are presented in other expenses.

(a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the period ended 31 March 2022

Revenue from operations	Goods	Other operating revenue	Total
Revenue by geography			
Domestic	60,880.66	24.00	60,904.66
Export	1,989.37	30.05	2,019.42
Total	**62,870.03**	**54.05**	**62,924.08**
Revenue by time			
Revenue recognised at point in time			62,924.08
Revenue recognised over time			-
Total			**62,924.08**

For the year ended 31 March 2021

Revenue from operations	Goods	Other operating revenue	Total
Revenue by geography			
Domestic	51,343.06	7.47	51,350.53
Export	1,230.74	0.74	1,231.48
Total	**52,573.80**	**8.21**	**52,582.01**
Revenue by time			
Revenue recognised at point in time			52,582.01
Revenue recognised over time			-
Total			**52,582.01**

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(All amounts in ₹ lakhs unless otherwise stated)

45 Ind AS 115 - Revenue from Contracts with Customers

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	Year ended 31 March 2022	Year ended 31 March 2021
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	216.88	312.55
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

(c) Assets and liabilities related to contracts with customers

Description	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Contract liabilities related to sale of goods				
Advance from customers	-	90.79	-	216.88

(d) Reconciliation of revenue recognised in statement of profit and loss with contract price

Description	Year ended 31 March 2022	Year ended 31 March 2021
Contract price	83,021.92	78,024.85
Less: discount, rebates, credits etc.	20,097.84	25,442.84
Revenue from operations as per statement of profit and loss	**62,924.08**	**52,582.01**

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BIBA FASHION LIMITED * GURUGRAM

BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

46 Employee benefit obligations

(A) Defined benefit plan:

Particulars	31 March 2022	31 March 2021
Current	137.75	118.28
Non Current	265.73	252.89
Total	**403.48**	**371.17**

(i) Amount recognised in the statement of profit and loss is as under:

Description	31 March 2022	31 March 2021
Current service cost	49.82	65.99
Interest cost	13.22	16.16
Net impact on profit (before tax)	**63.04**	**82.15**
Actuarial loss/(gain) recognised	(18.81)	9.87
Amount recognised in total comprehensive income	**44.23**	**92.02**

(ii) Change in the present value of obligation:

Description	31 March 2022	31 March 2021
Present value of defined benefit obligation as at the beginning of the year	**371.17**	**323.17**
Current service cost	49.82	65.99
Interest cost	13.22	16.16
Benefits paid	(18.33)	(44.02)
Re-measurement (gains)/ losses on defined benefit obligations	(18.81)	9.87
Present value of defined benefit obligation as at the end of the year	**397.07**	**371.17**

(iii) Breakup of actuarial (gain)/loss:

Description	31 March 2022	31 March 2021
Actuarial (gain)/loss from change in financial assumption	2.52	4.84
Actuarial (gain)/loss from experience adjustment	(20.12)	5.03
Total actuarial (gain)/loss	**(17.60)**	**9.87**

(iv) Actuarial assumptions

Description	31 March 2022	31 March 2021
Discount rate	4.75%	5.50%
Rate of increase in compensation levels	7.00%	7.00%
Retirement age	55 years	55 years
Mortality	Indian Assured Lives Mortality (2012-14)Ultimate	Indian Assured Lives Mortality (2012-14)Ultimate

Notes:

1) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.

2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3) The best estimated expense for the next year is ₹ 105.81 lakhs (previous year: ₹149.25 lakhs).

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(All amounts in ₹ lakhs unless otherwise stated)

46 Employee benefit obligations

(v) **Sensitivity analysis for gratuity liability**

Description	31 March 2022	31 March 2021
Impact of change in discount rate		
Present value of obligation at the end of the year	403.48	371.17
- Impact due to increase of 2% (1 %)	(8.31)	(7.90)
- Impact due to decrease of 2% (1 %)	8.72	8.30
Impact of change in salary increase		
Present value of obligation at the end of the year	403.48	371.17
- Impact due to increase of 2% (1 %)	6.83	7.20
- Impact due to decrease of 2% (1 %)	(6.45)	(6.89)

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

(vi) **Maturity profile of defined benefit obligation (undiscounted)**

Description	31 March 2022	31 March 2021
Within next 12 months	133.27	118.28
Between 1-5 years	96.35	86.63
Beyond 5 years	173.86	166.27

(vii) The average duration of the defined benefit plan obligation at the end of the reporting year is 17 years (previous year: 17 years).

(B) Defined contribution plan:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
a) Provident fund	268.74	292.36
b) Employees state insurance corporation	58.30	71.77
	327.04	**364.13**

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(All amounts in ₹ lakhs unless otherwise stated)

47 Leases

(a) The Group has leases for the office premises, warehouse and retail outlets. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The lease terms for office premises, warehouse and store sites are for an period of one year to seventeen years and having a lock-in period ranging from one

(b) **Right-to-use assets**

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	**27,269.85**	**33,541.96**
Add: additions on account of new leases entered during the year	11,951.34	2,407.76
Less: terminations	(2,443.15)	(2,327.55)
Balance at the end of the year	**36,778.04**	**33,622.17**
Less: amortisation expense charged on the right-of-use assets	6,136.21	6,352.32
Balance at the end of the year	**30,641.83**	**27,269.85**

(c) **Lease liability are presented in the statement of financial position as follow :**

Particulars	As at 31 March 2022	As at 31 March 2021
Current	5,366.25	5,807.36
Non-current	30,494.27	28,274.60
Total	**35,860.52**	**34,081.96**

d) The table below describe the nature of leasing activities by type of right-of-use asset recognised on balance sheet

Right of use asset	No of right-of-use assets leased	Range of remaining term	Average remaining lease term
Retail outlets, office premises and warehouse - 31 March 2022	397	1-18 years	4.37
Retail outlets, office premises and warehouse - 31 March 2021	334	1-17 years	4.85

e) **The lease liabilities are secured by the related underlying asset. Future minimum lease payment as at 31 March 2022 were as follow:**

Particulars	Within 1 year	1-2 year	2-3 year	3-4 year	4-5 year	after 5 year	Total
As on 31 March 2022							
Lease payment	8,322.31	7,492.03	6,863.40	5,996.09	5,035.18	15,469.54	49,178.55
Finance charges	2,956.06	2,520.56	2,089.06	1,678.07	1,319.39	2,754.89	13,318.03
Net present values	**5,366.25**	**4,971.47**	**4,774.34**	**4,318.02**	**3,715.79**	**12,714.65**	**35,860.52**

The lease liabilities are secured by the related underlying asset. Future minimum lease payment as at 31 March 2020 were as follow:

Particulars	Within 1 year	1-2 year	2-3 year	3-4 year	4-5 year	after 5 year	Total
As on 31 March 2021							
Lease payment	8,577.56	7,077.44	6,303.96	5,715.98	4,706.56	14,154.70	46,536.20
Finance charges	2,770.20	2,440.50	1,917.14	1,534.96	1,179.76	2,611.68	12,454.24
Net present values	**5,807.36**	**4,636.94**	**4,386.82**	**4,181.02**	**3,526.80**	**11,543.02**	**34,081.96**

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47 Leases

f) **Lease payments not recognised as a liability**

Particulars	31 March 2022	31 March 2021
Expenses relating to short term leases	22.30	15.64
Expenses relating to variable lease payments	740.30	94.69
Total	**762.60**	**110.33**

g) The total cash outflow for leases for the period ended 31 March 2022 was ₹ 6,970.80 lakhs (previous year: ₹ 4374.07 lakhs)

h) The following are amount recognised in statement of profit and loss

Particulars	31 March 2022	31 March 2021
Amortisation expense	6,136.21	6,352.32
Interest expense on lease	3,513.18	3,260.60
Less: Rent	6,632.18	5,002.23
Less: Rent concession on lease rentals	2,187.64	3,505.81
Less: gain on termination of right-of-use assets	802.01	562.94
Net amount recognised in profit and loss account	**27.56**	**541.94**

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48 Share based payment
Employee stock options (ESOP)

The Holding Company provides share-based payment scheme to its employees. During the year ended 31 March 2018, an Employee Stock Option Plan was introduced. In the Board meeting held on 04 April 2018, the Board of Directors of the Holding Company ("Board') has approved the BIBA Employees Stock Option Plan 2018 ('ESOP 2018') and grant of options to the eligible employee of the Holding company under the Scheme has been made in the current year. The Details of the scheme are explained in the table below:

During the period ended 31 March 2022, the Holding Company has not granted (31 March 2021: 1,65,000) any employee stock options ("ESOP") as per scheme approved by Board of Directors, at an exercise price of ₹ 167.64 per option. Further, 60,000 options has been forfeited and no options has been exercised in the period ended 31 March 2022 and no options has been forfeited or exercised in the year ended 31 March 2021. Total ESOP outstanding as at 31 March 2022 are 1,05,000 (31 March 2021 : 1,65,000). The vesting period of the ESOP is ranging from 1.37 years to 5 years . The granted options can be exercised after vesting at any time before the expiry of 5 years from vesting date. An amount of ₹ 13.76 lakhs (31 March 2021: ₹ 7.88 lakhs) has been recorded for the period ended 31 March 2022 as employee benefits expense, as the proportionate cost of ESOP granted.

a) **Employee stock option scheme**
As at 31 March 2022 the Group had the following outstanding share based payment arrangements:

Particulars	Category-1	Category-2	Category-3
No. of Options	50,000	30,000	25,000
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Date	2022-23 to 2024-25	2023-24 to 2025-26	2022-23 to 2024-25
Exercise Period on initiation of exercise period	2027-28 to 2029-30	2028-29 to 2030-31	2027-28 to 2029-30
Grant Date	18 November 2020	04 January 2021	04 January 2021
Exercise price per share (₹)	167.64	167.64	167.64
Market price on the date of granting of option (₹)	36.46	36.46	36.46
Method of settlement	Equity shares	Equity shares	Equity shares

As at 31 March 2021 the Group had the following outstanding share based payment arrangements:

Particulars	Category-1	Category-2	Category-3	Category-4
No. of Options	85,000	30,000	25,000	25,000
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Date	2022-23 to 2024-25	2023-24 to 2025-26	2022-23 to 2024-25	2023-24 to 2025-26
Exercise Period on initiation of exercise period	2027-28 to 2029-30	2028-29 to 2030-31	2027-28 to 2029-30	2028-29 to 2030-31
Grant Date	18 November 2020	04 January 2021	04 January 2021	04 January 2021
Exercise price per share (₹)	167.64	167.64	167.64	167.64
Market price on the date of granting of option (₹)	36.46	36.46	36.46	36.46
Method of settlement	Equity shares	Equity shares	Equity shares	Equity shares

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(All amounts in ₹ lakhs unless otherwise stated)

48 Share based payment
Employee stock options (ESOP)

b) Movement of option granted

Particulars	31 March 2022		31 March 2021	
	Number of options	Weighted average price	Number of options	Weighted average price
Options Outstanding at the beginning of the year	1,65,000	167.64	-	-
Granted during the year (net of lapsed)	-	-	1,65,000	167.64
Exercised during the year	-	-	-	-
Forfeited during the year	60,000	167.64	-	-
Options outstanding during the year	1,05,000	167.64	1,65,000	167.64
Options unvested at the end of the year	1,05,000	167.64	1,65,000	167.64
Option exercisable at the end of the year	-	-	-	-

c) Fair Valuation:

The fair valuation of the options used to compute proforma net profit and earnings per share have been done by an independent valuer on the date of grant using Black-Scholes Merton Formula. The key assumption and fair value are as under:

Particulars	Category-1	Category-2	Category-3	Category-4
Risk free Interest Rate (%)	6.00%	6.00%	6.00%	6.00%
Life (Years)	9 years	9 years	9 years	9 years
Expected Volatility (%)	50.00%	50.00%	50.00%	50.00%
Expected Dividend Yield (%)	0.00%	0.00%	0.00%	0.00%
Weighted average Fair Value Per Option (₹)	36.46	36.46	36.46	36.46

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49 Contingent liabilities

Particulars	31 March 2022	31 March 2021
Claims against the group not acknowledged debts in respect of :		
Income Tax		
Pending before Income Tax Appellate Tribunal {amount paid under protest ₹ 3.58 Lakhs (31 March 2021: ₹ 3.58 Lakhs)}	23.16	26.10
Pending before Commissioner of Income tax (appeals) {amount paid under protest ₹ Nil (31 March 2021: ₹ Nil)}	108.92	108.92
Pending before Commissioner of Income tax (appeals) {amount paid under protest ₹ 47.61 Lakhs (31 March 2021: ₹ 47.61 Lakhs)}	238.05	238.15
Value added tax/ CST /Entry tax/ Local body tax		
Pending before Commissioner of West Bengal VAT	142.75	-
Pending before Commissioner of Bihar VAT {amount paid under protest ₹ 6.47 Lakhs (31 March 2021: ₹ 6.47 Lakhs)}	12.46	12.46
Pending before Commissioner of Delhi VAT	0.50	44.46
Pending before Assessing Officer of Haryana VAT	47.24	-
Pending before Assessing Officer of Tamil Nadu VAT {amount paid under protest ₹ 6.27 Lakhs (31 March 2021: ₹ Nil)}	6.27	-
Pending before Municipal Commissioner of Thane, Maharashtra {amount paid under protest ₹ 4.61 Lakhs (31 March 2021: ₹ Nil)}	4.61	-
Pending before Commissioner of Uttar Pradesh VAT {amount paid under protest ₹ 17.05 Lakhs (31 March 2021: ₹ 17.05 Lakhs)}	54.86	-
Pending before Commissioner of Jharkhand VAT {amount paid under protest ₹ Nil (31 March 2021: ₹ Nil)}	7.47	17.05

The Hon'ble Supreme Court in its ruling had ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution. The Group pays certain allowances to its employees as a part of its compensation structure, which have not been included in the basic wages for the purpose of computing the PF.
As this ruling has not prescribed any clarification with respect to its application, the Group, based on legal advice and management assessment has applied the aforesaid ruling prospectively. Management believes that this will not result in any material liability on the Group.

Interest and claims by customers may be payable as and when the outcome of the related matters are finally determined. Management based on the legal advice and historic trends, believes that no material liability will develop on the Group in respect of these matters.

50 Capital and other commitments

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	302.55	31.06
Estimated amount of contracts remaining to be executed on account of other purchase commitments	782.24	2,174.27

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BIBA Fashion Limited (formerly known as BIBA Apparels Limited and BIBA Apparels Private Limited)
Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2022
(All amounts in ₹ lakhs unless otherwise stated)

51 Information in terms of section 22 of The Micro, Small And Medium Enterprises Development Act, 2006*

Particulars	31 March 2022	31 March 2021
(a) The principal amount remaining unpaid to any supplier at the end of the year	2,235.75	1,366.94
(b) Interest due remaining unpaid to any supplier at the end of the year	27.81	27.81
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year;	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	27.81	27.81
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	27.81	27.81

*The Holding Company is in discussion with certain MSME vendors owing to some reconciliation issues. Based on the management assessment, the interest payable to MSME parties as provided in books is adequate and no further provision is required to be made in financial statements for such vendors.

52 Corporate Social Responsibility (CSR)

(i) Gross amount required to be spent by the group during the year in compliance with section 135 of the Companies Act 2013 is ₹ 17.30 lakhs (previous year: ₹ 80.35 lakhs).

(ii)

Contribution for CSR	31 March 2022	31 March 2021
In cash	19.37	155.41
Yet to be paid	-	-
Total	**19.37**	**155.41**

(iii) **Details of CSR expenses incurred towards:**

Particulars	31 March 2022	31 March 2021
Education expense	-	126.37
Healthcare and Hygiene	19.37	26.04
Sports Promotion		3.00
Total	**19.37**	**155.42**

(iv) The Group has not contributed in nature of CSR expenditure to related party covered under Ind AS 24, Related party disclosures.

(v) The Group does not have any ongoing projects as at 31 March 2022.

53 Segment reporting

In accordance with Ind AS 108, the Board of Directors being the Chief operating decision maker of the Group has determined its only business segment as manufacturing and retail of ethnic wear.

Since the Group's business is from manufacturing and retail of ethnic wear and there are no other identifiable reportable segments, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial statement.
The Group's operations are such that all majority activities are confined only to India. There are no customers accounting for more than 10% of its revenue.

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54 During the year ended 31 March 2021, the management of the Holding company has noticed that one of the ex- employees in the finance team of the Holding Company had embezzled funds amounting to ₹302.11 lakhs over a period of four years from FY 2017-18 to FY 2020-21. The suspected employee was primarily responsible for verifying and processing the payments relating to store expenses, which includes store lease, electricity, common area maintenance and other miscellaneous expenses.

The holding company management had involved an independent forensic expert to evaluate the impact of the above embezzlement and had also performed reconciliation of balances with store lease vendors while finalising the financial statements of 31 March 2021. Subsequently, the management has initiated various actions to improve controls over payment to store vendors including segregation of duties relating to vendor master information and automated host to host payments. Basis the above procedures performed and actions taken by the management the control exceptions noted in the auditor's report for the financial year 2020-21 have been remediated by the holding company.

55 Additional information to consolidated financial statements as at 31 March 2022

Name of Entity	Net assets		Share in profit or (loss)		Share in OCI		Share in total comprehensive income or (loss)	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated OCI	Amount	As a % of consolidated comprehensive income
Parent Company								
BIBA Fashion Limited								
As at 31st March 2022	31,635.75	97.40%	1,294.74	105.42%	14.08	105.55%	1,308.82	105.42%
As at 31st March 2021	31,265.81	100.13%	(1,159.32)	97.91%	(7.98)	141.81%	(1,167.30)	98.13%
Subsidiary								
IMA Clothing Private Limited								
As at 31st March 2022	2.26	0.01%	(1.09)	-0.09%	-	-	(1.09)	-0.09%
As at 31st March 2021	0.96	0.00%	(2.98)	0.25%	-	-	(2.98)	0.25%
Subsidiary								
BIBA Apparels Trading LLC								
As at 31st March 2022	868.40	2.67%	(81.44)	-6.63%	-	-	(81.44)	-6.56%
As at 31st March 2021	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Associates								
Anjuman Brand Designs Private Limited								
As at 31st March 2022	(25.68)	-0.08%	16.00	1.30%	(0.74)	-5.55%	15.26	1.23%
As at 31st March 2021	(40.93)	-0.13%	(21.63)	1.84%	2.35	-41.81%	(19.28)	1.62%
Total for the year ended 31st March 2022	32,480.73	100%	1,228.21	100%	13.34	100%	1,241.55	100%
Total for the year ended 31st March 2021	31,255.84	100%	(1,183.93)	100%	(5.63)	100%	(1,189.56	100%

Note:-1 Figures in ( ) brackets are negative figures.

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(All amounts in ₹ lakhs unless otherwise stated)

56 The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972, etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes, will be assessed and recognised post notification of the relevant provision and related rules are published.

57 The outbreak of Coronavirus Disease 2019 (COVID-19), declared as a pandemic by the World Health Organization, severely impacted the businesses and economic activities around the world including India. During the period ended 31 March 2022 and previous year ended 31 March 2021, both Central and State Governments of India had imposed lockdown and other emergency restrictions which had led to the disruption of all regular business operations. Eruption of second wave of COVID-19 cases subsequent to the year end again resulted in partial lockdown/ restrictions in various states. Since then, the operations of the Group have seen gradual recovery. The Group continues to closely monitor the impact of the aforementioned pandemic and has made a detailed assessment and considered possible effects, if any, on its liquidity position, including recoverability of its assets as at the balance sheet date and currently believes that there will not be any adverse impact on the long term operations, financial position and performance of the Group.

58 Reconciliation of quarterly bank returns

Name of Bank	Particulars	Quarter ended	Amount as per books of Accounts	Amount as reported in quarterly returns	Amount of difference
Working Capital Lenders*	Debtors	31 March 2022	4,179.70	4,179.70	-
Working Capital Lenders*	Debtors	31 March 2022	32,892.20	32,892.20	-
Working Capital Lenders*	Debtors	31 December 2021	5,486.87	5,968.50	-481.63
Working Capital Lenders*	Stock	31 December 2021	30,645.50	30,710.10	-64.60
Working Capital Lenders*	Debtors	30 September 2021	9,352.40	9,352.40	-
Working Capital Lenders*	Stock	30 September 2021	28,548.90	28,548.90	-
Working Capital Lenders*	Debtors	30 June 2021	5,952.80	5,952.80	-
Working Capital Lenders*	Stock	30 June 2021	31,058.70	31,058.70	-
Working Capital Lenders*	Debtors	31 March 2021	6,772.88	9,120.81	-2,347.93
Working Capital Lenders*	Stock	31 March 2021	32,012.80	30,836.72	1,176.08
Working Capital Lenders*	Debtors	31 December 2020	8,929.60	9,263.37	-333.77
Working Capital Lenders*	Stock	31 December 2020	37,741.23	32,756.93	4,984.30
Working Capital Lenders*	Debtors	30 September 2020	7,875.26	9,193.73	-1,318.47
Working Capital Lenders*	Stock	30 September 2020	37,804.38	33,243.18	4,561.20
Working Capital Lenders*	Debtors	30 June 2020	1,608.94	3,017.84	-1,408.90
Working Capital Lenders*	Stock	30 June 2020	37,804.38	37,464.53	339.85

*HDFC Bank, Kotak Mahindra Bank, Citi Bank, ICICI Bank, Axis Bank are represented as Working Capital Lenders for the holding company.

Note for discrepancies:

The Bank returns were prepared and file before the completion of all financial statement closure activities including IND AS related adjustment/reclassification, as applicable, which led to these differences between the final books of accounts and the bank return which were based on provisional books of accounts.

No quarterly bank returns are being filed by any of the subsidary company as they do not have any borrowings.

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59 Other Statutory Information as at/ for the period ended 31 March 2022, year ended 31 March 2021

1) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
2) The Group do not have any transactions with companies struck off.
3) The Group have not traded or invested in Crypto currency or Virtual Currency.
4) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
5) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
   b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

For S.R. Batliboi & Co LLP
Chartered Accountants
Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Pankaj Chadha
Partner
Membership No. 091813

Place: Gurugram
Date: 27th June 2022

For and on behalf of the Board of director of
BIBA Fashion Limited (formerly known as BIBA Apparels Limited & BIBA Apparels Private Limited)

Meena Bindra
Director
(DIN 01627149)

Siddharath Bindra
Managing Director
(DIN : 01680498)

BIBA FASHION LIMITED * GURUGRAM *

Sachin Agarwal
Company Secretary
(Membership No. - A-17348)
Place: Gurugram
Date: 27th June 2022

Vikram Nagpal
Chief Financial Officer