

16th ANNUAL REPORT 2023-24



MC

MONTE CARLO 

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MONTE CARLO FASHIONS LIMITED

REGISTERED OFFICE: B-XXIX-106, G.T. ROAD, SHERPUR, LUDHIANA-141003
investor@montecarlocorporate.com | www.montecarlocorporate.com | CIN: L51494PB2008PLC032059

<p>BOARD OF DIRECTORS</p> <p>Sh. Jawahar Lal Oswal Sh. Sandeep Jain Smt. Ruchika Oswal Smt. Monica Oswal Sh. Rishabh Oswal Sh. Dinesh Gogna Sh. Manikant Prasad Singh Sh. Parvinder Singh Pruthi Dr. Roshan Lal Behl Sh. Alok Kumar Misra Dr. Manisha Gupta Dr. Suresh Kumar Singla Dr. Anchal Kumar Jain Sh. Bhuvanchandra Balkrishna Joshi Dr. Yash Paul Sachdeva</p>	<p>Chairman & Managing Director Executive Director Executive Director Executive Director Executive Director Non-Executive Director Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Additional Director (Appointed w.e.f 27.06.2024) Additional Director (Appointed w.e.f 09.08.2024) Additional Director (Appointed w.e.f 27.06.2024)</p>																												
<p>CHIEF FINANCIAL OFFICER Sh. Raj Kapoor Sharma</p> <p>COMPANY SECRETARY Sh. Ankur Gauba</p> <p>STATUTORY AUDITORS Deloitte Haskins & Sells Chartered Accountants 7th Floor, Building No.10, Tower B DLF Cyber City Complex DLF City Phase II, Gurgaon-122002 Haryana, India.</p> <p>SECRETARIAL AUDITORS P. S. Dua & Associates, Company Secretaries 5 SF, Sant Isher Nagar, Pakhawal Road, Ludhiana -141002, Punjab, India</p>	<p>REGISTRAR & SHARE TRANSFER AGENT Link Intime India Private Limited Registered Office: C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400 083</p> <p>BANKERS State Bank of India Federal Bank Limited ICICI Bank Limited HDFC Bank Limited</p> <p>WORKS B-XXIX-106, G.T.Road, Sherpur-Ludhiana 231, Industrial Area-A-Ludhiana Plot No-425 & 427, Near Textile Colony-Ludhiana B-XXX-1781/784, Old C-12, Phase V, Focal Point, Ludhiana</p>																												
<p>16th ANNUAL GENERAL MEETING</p> <p>DAY : Monday DATE : September 23, 2024 TIME : 11.00 A.M.</p> <p>THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM)</p>	<p>CONTENTS</p> <table border="0"> <tr> <td>Notice</td> <td style="text-align: right;">Page</td> </tr> <tr> <td></td> <td style="text-align: right;">2</td> </tr> <tr> <td>Statutory Reports</td> <td></td> </tr> <tr> <td>➤ Directors' Report</td> <td style="text-align: right;">21</td> </tr> <tr> <td>➤ Corporate Governance Report</td> <td style="text-align: right;">43</td> </tr> <tr> <td>➤ Management Discussion and Analysis Report</td> <td style="text-align: right;">66</td> </tr> <tr> <td>Financial Statements</td> <td></td> </tr> <tr> <td>➤ Independent Auditor's Report</td> <td style="text-align: right;">75</td> </tr> <tr> <td>➤ Balance Sheet</td> <td style="text-align: right;">86</td> </tr> <tr> <td>➤ Statement of Profit & Loss</td> <td style="text-align: right;">88</td> </tr> <tr> <td>➤ Cash Flow Statement</td> <td style="text-align: right;">90</td> </tr> <tr> <td>➤ Significant Accounting Policies and Notes</td> <td style="text-align: right;">93</td> </tr> <tr> <td>➤ Independent Auditor's Report on Consolidated Financial Statements</td> <td style="text-align: right;">140</td> </tr> <tr> <td>➤ Consolidated Financial Statements</td> <td style="text-align: right;">148</td> </tr> </table>	Notice	Page		2	Statutory Reports		➤ Directors' Report	21	➤ Corporate Governance Report	43	➤ Management Discussion and Analysis Report	66	Financial Statements		➤ Independent Auditor's Report	75	➤ Balance Sheet	86	➤ Statement of Profit & Loss	88	➤ Cash Flow Statement	90	➤ Significant Accounting Policies and Notes	93	➤ Independent Auditor's Report on Consolidated Financial Statements	140	➤ Consolidated Financial Statements	148
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MONTE CARLO FASHIONS LIMITED

(CIN: L51494PB2008PLC032059)

Registered Office: B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003

Telephone Nos.: 91-161-5048610-40, Fax: 91-161-5048650

investor@montecarlocorporate.com | www.montecarlocorporate.com | CIN: L51494PB2008PLC032059

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given pursuant to Sections 96 and 101 of the Companies Act, 2013 ("the Act") that the 16th (Sixteenth) Annual General Meeting ("AGM") of the Members of MONTE CARLO FASHIONS LIMITED will be held on Monday, September 23, 2024 at 11:00 A.M. through electronic mode [video conference ("VC")/other audio visual means ("OAVM")] to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Standalone Financial Statements of the Company along with the Reports of the Directors and Auditors thereon for the financial year ended on March 31, 2024 along with Annexures as laid before this Annual General Meeting be and are hereby received, considered, approved and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company along with the Reports of the Auditors thereon for the financial year ended on March 31, 2024 along with Annexures as laid before this Annual General Meeting be and are hereby received, considered, approved and adopted."

3. To declare dividend on Equity Shares of the Company for the Financial Year ended March 31, 2024 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT a Dividend at the rate of Rs. 20.00/- (Rupees Twenty only) per share on 2,07,32,064 Equity Shares of Rs. 10/- each as recommended by the Board of Directors be and is hereby declared for the financial year ended March 31, 2024 and the same be paid out of the profits of the Company."

4. To appoint a Director in place of Sh. Sandeep Jain (DIN: 00565760), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Sh. Sandeep Jain (DIN: 00565760), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment as Director of the Company be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Director by rotation."

5. To appoint a Director in place of Sh. Rishabh Oswal (DIN: 03610853), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Sh. Rishabh Oswal (DIN: 03610853), a Director of the Company who retires by rotation at this Meeting, being eligible for re-appointment as Director of the Company be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Director by rotation."

SPECIAL BUSINESS:

6. To re-appoint Dr. Roshan Lal Behl (DIN: 06443747) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. Roshan Lal Behl (DIN: 06443747), Non-Executive Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the said Act proposing his candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a second term of 5 (five) consecutive years commencing with effect from August 5, 2024 upto August 4, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution."

7. To appoint Dr. Yash Paul Sachdeva (DIN: 02012337) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. Yash Paul Sachdeva (DIN: 02012337), who was appointed by the Board of Directors as an Additional Director (Independent) of the Company with effect from June 27, 2024, and who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing with effect from June 27, 2024 upto June 26, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution."

8. To appoint Dr. Anchal Kumar Jain (DIN No. 09546925) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. Anchal Kumar Jain (DIN No. 09546925), who was appointed by the Board of Directors as an Additional Director (Independent) of the Company with effect from June 27, 2024, and who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing with effect from June 27, 2024 upto June 26, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution."

9. To appoint Sh. Bhuvanchandra Balkrishna Joshi (DIN No. 06713850) as an Independent Director of the Company in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Sh. Bhuvanchandra Balkrishna Joshi (DIN: 06713850), who was appointed by the Board of Directors as an Additional Director (Independent) of the Company with effect from August 9, 2024, and who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Act and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing with effect from August 9, 2024 upto August 8, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution."

**By order of the Board
For Monte Carlo Fashions Limited**

**Place: Ludhiana
Date: 05.08.2024**

**Ankur Gauba
(Company Secretary)
ICSI MEMBERSHIP NO. FCS-10577**

NOTES:

- The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts in respect of businesses to be transacted at the Annual General Meeting ("AGM") as set out under item no. 6 to 9 above and the relevant details of Directors as mentioned under item no. 4 to 5 above as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed as **Annexure -A**.
- Pursuant to the General Circular Nos. 20/2020, 19/2021, 2/2022 and 10/2022, the latest being 09/2023 dated 25th September 2023, read with other relevant circulars issued by the Ministry of Corporate Affairs (MCA) (collectively referred to as MCA Circulars), and in line with the Circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue.
In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), the 16th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company i.e. B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003.
- In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/Depositories. Members may note that the Notice of the AGM and Annual Report will also be available on the Company's website at www.montecarlocorporate.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the same may also be accessed by the members from the website of CDSL i.e. www.evotingindia.com. The Company shall send a hard copy of the Annual Report 2023-24 to those Members who request for the same. Members who require a hard copy of the Annual Report may send

their requests to the E-mail ID: investor@montecarlocorporate.com

For any communication, the members may also send requests to the Company's dedicated investor email-id: investor@montecarlocorporate.com.

4. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, route map and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Members are permitted to join the AGM through VC/OAVM, Thirty (30) minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis.
6. Institutional Investors / Corporate members (i.e. other than Individual / HUF / NRI etc) can appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OAVM or to vote through remote e-Voting. They are requested to send a certified copy of the Board Resolution of authorisation to the Scrutiniser by e-mail at cpsdu@gmail.com with a copy marked to helpdesk.evoting@cslindia.com.
7. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote during the AGM.
8. Only bona fide members of the Company whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/ OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
9. As per the provisions of Clause 3.A.III of the General Circular No. 20/2020 dated 5th May 2020 issued by MCA, the matters of Special Businesses as appearing at Item Nos. 6 to 9 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
10. The Register of Directors and Key Managerial Personnels and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM. Members who wish to seek inspect, may send their request through an email at investor@montecarlocorporate.com up to the date of AGM.
11. **Book Closure and Dividend:**
 - i) Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from **Tuesday, September 17, 2024 to Monday, September 23, 2024 (both days inclusive)**.
 - ii) The Board of directors of the Company at its meeting held on May 28, 2024 has recommended a dividend @200% i.e. Rs. 20/- per Equity Share on the paid up equity share capital of the Company. The dividend, if declared at the Annual General Meeting, will be paid subject to deduction of income-tax at source ('TDS'), wherever applicable within a period of 30 days from the date of declaration to the members as under:
 - a) To all the Beneficial Owners as on Monday, September 16, 2024 as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company/Registrar and Share Transfer Agent as on Monday, September 16, 2024.
 - iii) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS

requirements. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof.

- iv) The Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company / Company's Registrars and Transfer Agents viz. Link In time India Private Limited ("RTA") before Monday, September 16, 2024 by quoting the Folio No. and attaching a scanned copy of the cancelled cheque leaf of their bank account and a self-attested scanned copy of the PAN card.
- v) A Resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by email to investor@montecarlocorporate.com by Monday, September 16, 2024. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investor@montecarlocorporate.com. The aforesaid declarations and documents need to be submitted by the members by Monday, September 16, 2024. For detailed instructions and formats of the Forms and documents to be submitted, please visit www.montecarlocorporate.com.
- vi) Further, in order to receive the dividend in a timely manner, Members holding shares in physical form and not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to mail the following documents to Company's Registrars and Transfer Agents viz. Link In time India Private Limited ("RTA"), so that it reaches to them latest by Monday, September 16, 2024:
 - a. signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - Name and Branch of Bank and Bank Account type;
 - Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;
 - 11 digit IFSC Code.
 - b. self-attested copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c. self-attested copy of the PAN Card; and
 - d. self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in dematerialized form may note that bank particulars registered against their respective demat accounts will be used by the Company for payment of dividend and therefore, members are requested to update with their respective Depository Participants ("DP"), their bank account details (account number, 9 digit MICR and 11 digit IFSC), e-mail IDs and mobile number. Members holding shares in physical form may communicate details to the Company / Company's Registrars and Transfer Agents viz. Link In time India Private Limited ("RTA"), before Monday, September 16, 2024 by quoting the Folio No. and attaching a scanned copy of the cancelled cheque leaf of their bank account and a self-attested scanned copy of the PAN card.
- vii) Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details.
- viii) Members are requested to note that, pursuant to the provisions of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund. The Company requests the Members to claim the unclaimed dividends within the prescribed period and contact Link Intime India Private Limited, Registrar and Share Transfer Agent (RTA) for claiming the unclaimed dividends standing to the credit

in their account. The details of the unclaimed dividends are also available on the Company's website at <http://www.montecarlocorporate.com/details-of-unclaimed-amounts.php> and Ministry of Corporate Affairs at www.iepf.gov.in/.

12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrars and Transfer Agents, M/s Link In time India Private Limited for assistance in this regard.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to M/s Link In time India Private Limited in case the shares are held in physical form, quoting their folio no.
14. i) Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to investor@montecarlocorporate.com by mentioning their DP ID & Client ID/ Physical Folio Number.
ii) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, September 16, 2024 through email on investor@montecarlocorporate.com. The same will be replied by the Company suitably.
15. To support the 'Green Initiative', the Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s Link In time India Private Limited in case the shares are held by them in physical form.
16. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the members may please contact their respective depository participant.
17. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/655 dated November 3, 2021 read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 (the "SEBI Circulars") has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ISR-3/SH-14. In Compliance thereof, the Company has already sent the communication alongwith prescribed forms to all the members holding shares in physical mode at their registered address. Members are requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office. The aforesaid forms can be downloaded from the website of the Company i.e. www.montecarlocorporate.com.
18. SEBI has established a common Online Dispute Resolution Portal (ODR Portal) for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal: <https://smartodr.in/> login and the same can also be accessed through the Company's Website: www.montecarlocorporate.com.
19. **Process for those Members whose email ids are not registered:**
 - i) **For Members holding Shares in the physical form** - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card by email to the Company: investor@montecarlocorporate.com
 - ii) **For Members holding Shares in Demat form** - Please provide Demat account details (CDSL- 16 digit beneficiary ID or NSDL-16 digit DPID + Client ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the Company: investor@montecarlocorporate.com on or before Monday, September 16, 2024.
 - iii) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account

maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

20. Remote e-Voting before/during the AGM:

- a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by CDSL.
- b) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. Monday, September 16, 2024 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. Monday, September 16, 2024, may obtain the User ID and Password by sending a request at helpdesk.evoting@cdslindia.com.

c) THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i) The remote e-Voting period commences on Friday, September 20, 2024 at 9.00 a.m. (IST) and ends on Sunday, September 22, 2024 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Monday, September 16, 2024.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) Pursuant to SEBI Circular No. SEBI/HO/FD/ CMD/CIR/P/2020/242 dated December 9, 2020, under regulation 44 of the Listing Regulations; listed companies are required to provide remote e-voting facility to its shareholders in respect of all shareholders resolutions. However, it has been observed that the participation by the public non-institutional members / retail members is at a negligible level. Currently there are multiple e-voting service providers (“ESPs”) providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process
Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- iv) In view of the aforesaid SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, individual members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Pursuant to the aforesaid SEBI Circular dated December 9, 2020, login method for e-voting and joining virtual meetings for individual members holding shares in demat mode is given below:

Type of shareholders	Login Method
Individual Members holding securities in Demat mode with CDSL	<p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>b) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>c) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Members securities in demat mode with NSDL Depository	<p>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>b) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. **Login method for e-Voting and joining virtual meeting for Physical shareholders and shareholders other than individual holding in Demat form.**
 - a) The shareholders should log on to the e-voting website www.evotingindia.com.
 - b) Click on “Shareholders” module.
 - c) Now enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - d) Next enter the Image Verification as displayed and Click on Login.
 - e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - f) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ? Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ? If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Members holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password

is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for “**MONTE CARLO FASHIONS LIMITED**” on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only
 Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@montecarlocorporate.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- xviii. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
- xix. Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the evoting:
 Sh. Ankur Gauba,
 Company Secretary and Compliance Officer
 B-XXIX-106, G.T. Road, Sherpur, Ludhiana – 141003,
 Ph. 0161-5066628, E-mail Id: investor@montecarlocorporate.com.
- xx. All grievances connected with the facility for voting by electronic means may be addressed to Sh. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911.
- xxi. Any person, who acquires shares of the Company and become Member of the Company after dispatch of

the Notice and holding shares as on the cut-off date i.e. Monday, September 16, 2024 may follow the same instructions as mentioned above for e-Voting.

d) INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING DURING AGM ARE AS UNDER:

- i) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
 - ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
 - iii) Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
 - iv) Members are encouraged to join the Meeting through Laptops / IPads for better experience.
 - v) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - vi) 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.
 - vii) Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request in advance at least 7 days prior to the AGM mentioning their name, demat account number / folio number, email id, mobile number at the Company's email Id: investor@montecarlocorporate.com. Those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - viii) The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to the AGM mentioning their name, demat account number/ folio number, email id, mobile number at the Company's email Id investor@montecarlocorporate.com. These queries will be replied to by the Company suitably by email.
 - ix) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
 - x) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- 21.** SEBI has mandated that with effect from 1st April 2024, dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC compliant i.e., the details of PAN, choice of nomination, contact details, mobile no., complete bank details and specimen signatures are registered. The Shareholders are requested to submit the Investor Service Request forms, i.e., ISR forms, along with the supporting documents at the earliest. Shareholders who hold shares in dematerialised form and wish to update their PAN, KYC and nomination details are required to contact their respective Depository Participants (DPs).
- 22. Other Instructions:**
- i) Sh. P.S. Dua, Practicing Company Secretary, (Membership No. 4552, COP No. 3934), have been appointed as the Scrutinizer by the Board to scrutinize remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.
 - ii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/ OAVM but have not cast their votes by availing the remote e-Voting facility.
 - iii) The persons who have acquired shares and become members after the dispatch of the notice may send a request to the Company Secretary via e-mail at investor@montecarlocorporate.com for a copy of the Annual Report. The Annual Report is also available on the website of the Company.
 - iv) The Company has designated an exclusive e-mail ID i.e. investor@montecarlocorporate.com to enable the investors to register their complaints / send correspondence, if any.

23. Declaration Of Results:

- i) The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.
- ii) Based on the scrutinizer's report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.
- iii) The results declared along with the scrutinizer's report, will be hosted on the website of the Company at www.montecarlocorporate.com and on the website of CDSL at www.evotingindia.com, immediately after the declaration of the result by the Chairperson or a person authorised by him in writing and communicated to the Stock Exchanges.
- iv) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM i.e. Monday, September 23, 2024.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Item Nos. 6 to 9 of the accompanying Notice convening the Sixteenth Annual General Meeting to be held on Monday, September 23, 2024

ITEM NO. 6

The Members of the company at the 13th Annual General Meeting of the Company held on September 24, 2021 had appointed Dr. Roshan Lal Behl (DIN: 06443747) as an Independent Director of the Company for a period of Three years with effect from August 5, 2021 under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the present term of Dr. Roshan Lal Behl as Independent Director comes to an end on August 4, 2024.

As per Section 149(10) of the Companies Act 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for second term of upto five consecutive years on the Board of a Company. Accordingly, the re-appointment of Dr. Roshan Lal Behl shall require the approval of the members of the Company.

Based on recommendation of Nomination and Remuneration Committee, after verifying the profile and suitability of Dr. Roshan Lal Behl and on the basis of report of performance evaluation, and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Roshan Lal Behl being eligible for re-appointment as an Independent Director and offering himself for re appointment, the Board has proposed him for his re-appointment as an Independent Director for second term of 5 (five) consecutive years commencing with effect from August 5, 2024 upto August 4, 2029.

Dr. Roshan Lal Behl, aged 67, holds an MBA in Financial Management and a Ph.D. in Corporate Disclosure Practices of Indian Companies. With over 39 years of teaching experience, he served as the former Principal of Sri Aurobindo College of Commerce and Management, Ludhiana, and was also a Director of the Ludhiana Stock Exchange from year 2012 to 2014. According to the Nomination and Remuneration Committee, the role of Independent Director demands a range of skills including leadership, managerial and entrepreneurial acumen, a comprehensive understanding of relevant laws, financial knowledge, policy shaping, and corporate governance. Dr. Behl's extensive experience and skill set align well with these requirements, making him well-suited for the role of Independent Director of the Company.

The Company has received a notice in writing under Section 160 of the Act from a member, signifying intention to propose the candidature of Dr. Roshan Lal Behl for the office of Director. The Company has also received the following documents from Dr. Roshan Lal Behl – (a) consent to act as a Director of the Company; (b) declaration confirming that he meets the criteria of independence as prescribed under the Act and the Listing Regulations; (c) confirmation that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act; and (d) declaration that he has not been debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any such authority.

In the opinion of the Board, Dr. Roshan Lal Behl meets the conditions for re-appointment as an Independent Director as specified in the Companies Act, SEBI Listing Regulations, and other applicable laws and regulations. Given Dr. Behl's extensive knowledge and experience, his continued association is deemed highly beneficial to the Company. Therefore, it is desirable to re-appoint him as an Independent Director for a further term of 5 (five) years to leverage his valuable contributions

Dr. Roshan Lal Behl is not inter-se related with any other Director or Key Managerial Personnel of the Company. Also, Dr. Roshan Lal Behl does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The copy of the letter of appointment of Dr. Roshan Lal Behl setting out the terms and conditions of appointment shall be available for inspection by the members without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website i.e. www.montecarlocorporate.com.

A brief profile of Dr. Roshan Lal Behl, in terms of in terms of Regulations 26(4) and Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as the Annexure to the Explanatory Statement. As an Independent Director of the Company, Dr. Roshan Lal Behl will be entitled to sitting fee and reimbursement of expenses for attending the meetings of the Board and its Committees, as may be decided by the Board of Directors, from time to time.

The Board of Directors of the Company recommends the passing of the Special Resolution at Item No. 6 of the accompanying Notice.

MEMORANDUM OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives except the appointee i.e. Dr. Roshan Lal Behl are in any way concerned or interested, financially or otherwise in the said resolution at Item No. 6. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

ITEM NO. 7

The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company has approved the appointment of Dr. Yash Paul Sachdeva (DIN : 02012337), as an Additional Director under the category of Independent Director for a term of 5 years with effect from June 27, 2024, subject to the approval of the members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), effective 1st January 2022, the listed Companies are required to obtain the approval of the members for appointment of a Director, at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Dr. Yash Paul Sachdeva shall require the approval of the members of the Company.

Based on recommendation of Nomination and Remuneration Committee, after verifying the profile and suitability of Dr. Yash Paul Sachdeva and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Yash Paul Sachdeva being eligible for appointment as an Independent Director and offering himself for appointment, the Board has proposed him for his appointment as Independent Director for a term of 5 (five) consecutive years commencing with effect from June 27, 2024 upto June 26, 2029.

Dr. Yash Paul Sachdeva, aged 62, holds an MBA with a specialization in Financial Management and a Ph.D. in Capital Markets and Investment Management. An esteemed educationist and corporate advisor, Dr. Sachdeva's expertise spans Accounting and Financial Management, Security Analysis and Portfolio Management, and Management Control Systems. With over 30 years of experience in Business Management and Administration, he retired as a Professor from the Business Administration Department at Punjab Agricultural University, Ludhiana. Dr. Sachdeva previously served as an Independent Director of the Company from Year 2014 to 2018. As identified by the Nomination and Remuneration Committee of the, the role of Independent Director necessitates various skills including leadership, managerial and entrepreneurial acumen, a thorough understanding of relevant laws, financial knowledge, policy shaping, and corporate governance. Dr. Sachdeva's extensive background and skill set align perfectly with these requirements, making him a suitable candidate for the role of Independent Director of the Company.

The Company has received a notice in writing under Section 160 of the Act from a member, signifying intention to propose the candidature of Dr. Yash Paul Sachdeva for the office of Director. The Company has also received the following documents from Dr. Yash Paul Sachdeva – (a) consent to act as a Director of the Company; (b) declaration confirming that he meets the criteria of independence as prescribed under the Act and the Listing Regulations; (c) confirmation that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act; and (d) declaration that he has not been debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any such authority.

In the opinion of the Board, Dr. Yash Paul Sachdeva meets the conditions for appointment as an Independent Director as stipulated by the Companies Act, SEBI Listing Regulations, and other applicable laws and regulations. Additionally, given Dr. Sachdeva's extensive knowledge and experience, the Board believes that appointing him as an Independent Director will be immense beneficial to the Company.

Dr. Yash Paul Sachdeva is not inter-se related with any other Director or Key Managerial Personnel of the Company. Also, Dr. Yash Paul Sachdeva does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The copy of the letter of appointment of Dr. Yash Paul Sachdeva setting out the terms and conditions of appointment shall be available for inspection by the members without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website www.montecarlocorporate.com.

A brief profile of Dr. Yash Paul Sachdeva, in terms of in terms of Regulations 26(4) and Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as the Annexure to this Notice. As an Independent Director of the Company, Dr. Yash Paul Sachdeva will be entitled to sitting fee and reimbursement of expenses for attending the meetings of the Board and its Committees, as may be decided by the Board of Directors, from time to time.

The Board of Directors of the Company recommends the passing of the Special Resolution at Item No. 7 of the accompanying Notice.

MEMORANDUM OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives except the appointee i.e. Dr. Yash Paul Sachdeva are in any way concerned or interested, financially or otherwise in the said resolution at Item No. 7. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

ITEM NO. 8

The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company has approved the appointment of Dr. Anchal Kumar Jain (DIN : 09546925), as an Additional Director under the category of Independent Director for a term of 5 years with effect from June 27, 2024, subject to the approval of the members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), effective 1st January 2022, the listed Companies are required to obtain the approval of the members for appointment of a Director, at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Dr. Anchal Kumar Jain shall require the approval of the members of the Company.

Based on recommendation of Nomination and Remuneration Committee, after verifying the profile and suitability of Dr. Anchal Kumar Jain and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Anchal Kumar Jain being eligible for appointment as an Independent Director and offering himself for appointment, the Board has proposed him for his appointment as Independent Director for a term of 5 (five) consecutive years commencing with effect from June 27, 2024 upto June 26, 2029.

Dr. Anchal Kumar Jain, aged 62, holds a B.Tech, M.Tech, and Ph.D., with over 37 years of teaching experience. He retired as Professor and Head of Soil and Water Engineering at Punjab Agricultural University, Ludhiana. Dr. Jain has been recognized with several prestigious awards, including the 'Noble Citizen Award' in 2020, the 'Team Award' and 'Commendation Medal' from the Indian Society of Agricultural Engineers for his outstanding contributions to soil and water engineering research, and the 'Shiksha Rattan Puraskar' in 2010 from the India

International Friendship Society. He has also served as a Professor at Lovely Professional University, Phagwara (Punjab). Given his extensive expertise and knowledge, Dr. Jain's contributions are highly esteemed. As identified by the Nomination and Remuneration Committee of the, the role of Independent Director necessitates various skills including leadership, managerial and entrepreneurial acumen, a thorough understanding of relevant laws, financial knowledge, policy shaping, and corporate governance. Dr. Jain's extensive background and skill set align perfectly with these requirements, making him a suitable candidate for the role of Independent Director of the Company.

The Company has received a notice in writing under Section 160 of the Act from a member, signifying intention to propose the candidature of Dr. Anchal Kumar Jain for the office of Director. The Company has also received the following documents from Dr. Anchal Kumar Jain– (a) consent to act as a Director of the Company; (b) declaration confirming that he meets the criteria of independence as prescribed under the Act and the Listing Regulations; (c) confirmation that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act; and (d) declaration that he has not been debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any such authority.

In the opinion of the Board, Dr. Anchal Kumar Jain meets the conditions for appointment as an Independent Director as stipulated by the Companies Act, SEBI Listing Regulations, and other applicable laws and regulations. Additionally, given Dr. Jain's extensive knowledge and experience, the Board believes that appointing him as an Independent Director will be immense beneficial to the Company.

Dr. Anchal Kumar Jain is not inter-se related with any other Director or Key Managerial Personnel of the Company. Also, Dr. Anchal Kumar Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The copy of the letter of appointment of Dr. Anchal Kumar Jain setting out the terms and conditions of appointment shall be available for inspection by the members without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website i.e. www.montecarlocorporate.com.

A brief profile of Dr. Anchal Kumar Jain, in terms of in terms of Regulations 26(4) and Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as the Annexure to this Notice. As an Independent Director of the Company, Dr. Anchal Kumar Jain will be entitled to sitting fee and reimbursement of expenses for attending the meetings of the Board and its Committees, as may be decided by the Board of Directors, from time to time.

The Board of Directors of the Company recommends the passing of the Special Resolution at Item No. 8 of the accompanying Notice.

MEMORANDUM OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives except the appointee i.e. Dr. Anchal Kumar Jain are in any way concerned or interested, financially or otherwise in the said resolution at Item No. 8. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

ITEM NO. 9

The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company has approved the appointment of Sh. Bhuwanchandra Balkrishna Joshi (DIN NO. 06713850), as an Additional Director under the category of Independent Director for a term of 5 years with effect from August 9, 2024, subject to the approval of the members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), effective 1st January 2022, the listed Companies are required to obtain the approval of the members for appointment of a Director, at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Sh. Bhuwanchandra Balkrishna Joshi shall require the approval of the members of the Company.

Based on recommendation of Nomination and Remuneration Committee, after verifying the profile and suitability of Sh. Bhuwanchandra Balkrishna Joshi and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sh. Bhuwanchandra Balkrishna Joshi being eligible for appointment as an

Independent Director and offering himself for appointment, the Board has proposed him for his appointment as Independent Director for a term of 5 (five) consecutive years commencing with effect from August 9, 2024 upto August 8, 2029.

Sh. Bhuvanchandra Balkrishna Joshi, aged 68, is a retired Executive Director of Bank of Baroda with 39 years of extensive experience in banking. His expertise spans various fields including Branch Banking, Corporate Credit, Foreign Exchange, Overseas Operations, Compliance, SME Banking, and Retail Banking, with international experience in Africa and the USA. As an Executive Director at Bank of Baroda, he served on the Board and Board-Level Committees, and held positions as Chairman and Director in the bank's Associates, Joint Ventures, and Subsidiaries. Mr. Joshi has also contributed to several high-profile committees, including the Working Group on Pricing of Credit formed by the RBI, the Committee on Detailed Project Report on Financial Inclusion by DFS, MoF, and the Working Group on NPA Management & Recovery by IBA for Gyan Sangam 2016. Currently, he serves as an Independent Director at IDBI Bank Limited. As identified by the Nomination and Remuneration Committee of the, the role of Independent Director necessitates various skills including leadership, managerial and entrepreneurial acumen, a thorough understanding of relevant laws, financial knowledge, policy shaping, and corporate governance. Sh. Joshi's extensive background and skill set align perfectly with these requirements, making him a suitable candidate for the role of Independent Director of the Company.

The Company has received a notice in writing under Section 160 of the Act from a member, signifying intention to propose the candidature of Sh. Bhuvanchandra Balkrishna Joshi for the office of Director. The Company has also received the following documents from Sh. Bhuvanchandra Balkrishna Joshi – (a) consent to act as a Director of the Company; (b) declaration confirming that he meets the criteria of independence as prescribed under the Act and the Listing Regulations; (c) confirmation that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act; and (d) declaration that he has not been debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any such authority.

In the opinion of the Board, Sh. Bhuvanchandra Balkrishna Joshi meets the conditions for appointment as an Independent Director as specified in the Companies Act, SEBI Listing Regulations, and other applicable laws and regulations. Given Mr. Joshi's extensive knowledge and experience, his appointment as an Independent Director would be highly advantageous to the Company.

Sh. Bhuvanchandra Balkrishna Joshi is not inter-se related with any other Director or Key Managerial Personnel of the Company. Also, Sh. Bhuvanchandra Balkrishna Joshi does not hold by himself or for any other person on a beneficial basis, any shares in the Company. The copy of the letter of appointment of Sh. Bhuvanchandra Balkrishna Joshi setting out the terms and conditions of appointment shall be available for inspection by the members without any fee by the members at the Registered Office of the Company during the normal business hours on any working day and is also available on Company's website i.e. www.montecarlocorporate.com.

A brief profile of Sh. Bhuvanchandra Balkrishna Joshi, in terms of in terms of Regulations 26(4) and Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as the Annexure to this Notice. As an Independent Director of the Company, Sh. Bhuvanchandra Balkrishna Joshi will be entitled to sitting fee and reimbursement of expenses for attending the meetings of the Board and its Committees, as may be decided by the Board of Directors, from time to time.

The Board of Directors of the Company recommends the passing of the Special Resolution at Item No. 9 of the accompanying Notice.

MEMORANDUM OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives except the appointee i.e. Sh. Bhuvanchandra Balkrishna Joshi are in any way concerned or interested, financially or otherwise in the said resolution at Item No. 9. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**By order of the Board
For Monte Carlo Fashions Limited**

**Ankur Gauba
(Company Secretary)
ICSI MEMBERSHIP NO. FCS-10577**

**Place: Ludhiana
Date: 05.08.2024**

Annexure-A

Details of the Directors pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, as applicable

Names	Sh. Sandeep Jain	Sh. Rishabh Oswal
Designation	Executive Director	Executive Director
Date of birth/ age	24.12.1971/ 53 Years	13.01.1992/ 32 Years
Date of appointment	01.07.2008	01.06.2018
Qualification	Bachelor's degree in Pharmacy, Diploma in Export Management, Certificate course in wool from the AWTA Limited	B.A. (Hons.) in Management Studies from University of Nottingham, UK and PGP MFAB, Executive MBA from the prestigious Indian School of Business, Hyderabad.
Experience	More than 24 years of experience in the field of administration.	More than 11 years of experience in the field of manufacturing, e-commerce and administration.
Terms of appointment	Liable to retire by rotation	Liable to retire by rotation
Remuneration for the Financial Year 2023-24	Rs 242.00 Lakhs	Rs 185.00 Lakhs
Disclosure of relationship	Sh. Sandeep Jain is husband of Smt. Ruchika Oswal, Executive Director, Son In Law of Sh. Jawahar Lal Oswal, Chairman and Managing Director and Brother in law of Smt. Monica Oswal, Executive Director of the company. He is not related to any other Director(s) and Key Managerial Personnel of the Company.	Sh. Rishabh Oswal is the Grandson of Sh. Jawahar Lal Oswal and nephew of Smt. Ruchika Oswal and Smt. Monica Oswal.
Shareholding	None	10500 Equity Shares
No. of Board Meetings attended during the year	4	3
Directorships in other Listed Companies as on March 31, 2024	Nil	Nil
Membership/ Chairmanship of Committees of other Listed Companies as on March 31, 2024	Nil	Nil

Names	Dr. Roshan Lal Behl	Dr. Yash Paul Sachdeva
Designation	Independent Director	Independent Director
Date of birth/ age	28.01.1957/ 67 Years	03.05.1962/ 62 Years
Date of appointment	05.08.2021	27.06.2024
Qualification	M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies)	MBA (Financial Management) and Ph.D (Capital Markets and Investment Management)
Experience	More than 39 years of experience in teaching.	Having more than 30 years of experience in the field of Business Management and Administration
Terms of appointment	Five Years	Five Years
Remuneration for the Financial Year 2023-24	Rs 1.00 Lacs	N.A.

Disclosure of relationship	Dr. Roshan Lal Behl is not related to any of the Directors and Key Managerial Personnel of the Company.			Dr. Yash Paul Sachdeva is not related to any of the Directors and Key Managerial Personnel of the Company.		
Shareholding	Nil			Nil		
No. of Board Meetings attended during the year	4			N.A.		
Directorships in other Listed Companies as on March 31, 2024	Nahar Spinning Mills Limited, Nahar Industrial Enterprises Limited, Nahar Capital & Financial Services Limited, Nahar Polyfilms Limited and Oswal Leasing Limited			Nahar Spinning Mills Limited, Nahar Industrial Enterprises Limited, Nahar Capital & Financial Services Limited		
Membership/ Chairmanship of Committees of other Listed Companies as on March 31, 2024	Name of the Company	Name of the Committee	Designation	Name of the Company	Name of the Committee	Designation
	Nahar Spinning Mills Limited	Risk Management Committee	Member	Nahar Spinning Mills Limited	Nomination & Remuneration Committee	Chairman
		Audit Committee	Member			
		Nomination & Remuneration Committee	Member			
	Nahar Industrial Enterprises Limited	Audit Committee	Member	Nahar Industrial Enterprises Limited	Nomination & Remuneration Committee	Chairman
		Nomination & Remuneration Committee	Member			
	Nahar Capital & Financial Services Limited	Nomination & Remuneration Committee	Member	Nahar Capital & Financial Services Limited	Nomination & Remuneration Committee	Chairman
		Audit Committee	Member			
		Risk Management Committee	Chairman			

Names	Dr. Anchal Kumar Jain	Mr. Bhuwanchandra Balkrishna Joshi
Designation	Independent Director	Independent Director
Date of birth/ age	17.08.1959/ 65 Years	03.12.1956 / 68 years
Date of appointment	27.06.2024	09.08.2024
Qualification	B.Tech, M.Tech & Ph.D	B.com, Chartered Associate of Indian Institute of Bankers
Experience	Having more than 37 years experience in Teaching and Administration	Having more than 39 years of experience in the field of Banking and Finance.
Terms of appointment	Five Years	Five Years
Remuneration for the Financial Year 2023-24	N.A.	N.A.
Disclosure of relationship	Dr. Anchal Kumar Jain is not related to any of the Directors and Key Managerial Personnel of the Company.	Sh. Bhuwanchandra Balkrishna Joshi is not related to any of the Directors and Key Managerial Personnel of the Company.
Shareholding	Nil	Nil

No. of Board Meetings attended during the year:	N.A.			N.A.		
Directorships in other Listed Companies as on March 31, 2024:	Nahar Spinning Mills Limited, Nahar Poly Films Limited, Nahar Industrial Enterprises Limited			IDBI Bank Limited		
Membership in other Listed Companies as on March 31, 2024:	Name of the Company	Name of the Committee	Designation	Name of the Company	Name of the Committee	Designation
	Nahar Spinning Mills Limited	Stakeholders Relationship Committee	Member	Nil		
		Risk Management Committee	Member			
Nahar Polyfilms Limited	Risk Management Committee	Member				

**By order of the Board
For Monte Carlo Fashions Limited**

**Place: Ludhiana
Date: 05.08.2024**

**Ankur Gauba
(Company Secretary)
ICSI MEMBERSHIP NO. FCS-10577**

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Sixteenth (16th) Annual Report of the business and operations of the Company along with the Audited Financial Statements for the financial year ended on March 31, 2024.

1. FINANCIAL RESULTS

The Company's financial performance for the year under ended March 31, 2024 is summarized below:

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31st March 2024		For the Year ended 31st March 2023	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from operations	1,06,191	1,06,191	1,11,771	1,11,771
Other Income	2,750	2,750	2,083	2,083
Total Revenue from operations & other income	1,08,941	1,08,941	1,13,854	1,13,854
Earnings before Interest, Depreciation & Tax (EBIDTA)	17,044	16,937	23,865	23,843
Depreciation & Amortization	5,122	5,122	4,177	4,177
Finance Cost	3,748	3,748	2,445	2,445
Profit before Tax (PBT)	8,174	8,067	17,243	17,221
Tax Expenses/ Adjustment				
1. Current Tax	2,510	2,510	5,163	5,163
2. Deferred Tax	(314)	(314)	(693)	(693)
3. Current tax adjustments related to earlier years	(123)	(123)	(323)	(323)
4. Deferred tax adjustments related to earlier years	--	--	(178)	(178)
Profit after Tax (PAT)	6,101	5,994	13,274	13,252
Other Comprehensive Income (net of tax)	(6)	(6)	(189)	(189)
Total Comprehensive Income	6,095	5,988	13,085	13,063
Earnings Per Share (Rs.) – Basic	29.43	28.91	64.03	63.92
Earnings Per Share (Rs.) – Diluted	29.43	28.91	64.03	63.92

Note:

- A. As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2024 has been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of Companies Act, 2013 and other relevant provisions of the Act. The estimates and judgements relating to the Financial Statements are made on a prudent basis, to reflect in a true and fair manner, including profits and cash flows for the year ended March 31, 2024. The Notes to the Financial Statements adequately explain the Audited Statements.
- B. In accordance with the Companies Act, 2013 & Indian Accounting Standards (Ind AS) 110 on 'Consolidated Financial Statements' read with Ind AS 111 on 'Joint Arrangements' and Ind AS 112 on 'Disclosure of Interest in other entities', the Audited Consolidated Financial Statements are also provided in the Annual Report.

2. PERFORMANCE REVIEW

• BUSINESS OUTLOOK

Monte Carlo Fashions Limited stands as a leading entity in the winter wear and organized retail apparel sector, with a diversified portfolio across various segments. The company's extensive range of wool, cotton, cotton blended, knitted, and woven apparel, as well as home furnishings, is marketed under the

prominent "Monte Carlo" brand. This includes notable sub-brands such as Luxuria, Denim, Alpha, Tweens, Clock & Decker, Monte Carlo Home and Rock.it. Additionally, Monte Carlo Fashions has expanded into the premium formal men's footwear market. The company's comprehensive product range encompasses T-shirts, shirts, denims, trousers, suits, mufflers, coats, jackets, mink blankets, bedsheets, towels, and footwear. Monte Carlo Fashions leverages a well-organized and extensive distribution network, consisting of over 411 Exclusive Brand Outlets (EBOs), 2116 Multi-Brand Outlets (MBOs), and 1324 NCS & SIS locations. Moreover, the company has a significant presence on leading e-commerce platforms, including Myntra, Flipkart, Amazon, Ajo, Nykaa Fashion, and its own online portal.

Financially, Monte Carlo Fashions enjoys a strong cash position and ample banking limits, ensuring timely servicing of debts and financial obligations. The company anticipates substantial growth by expanding into the South and West markets, deepening penetration in existing markets, and revitalizing both domestic and international demand in the upcoming years. To fuel this growth, Monte Carlo Fashions plans to open approximately 50 new stores annually and enhance brand recall through strategic advertising in high-traffic areas. The company remains confident in its ability to sustain and advance its growth trajectory in a sustainable manner.

• **PRODUCTION AND SALES REVIEW**

During the year under review, your company has witnessed a decrease in revenue of around 5%. The production of the company has been decrease to 40,96,848 pcs from 45,76,514 pcs during the year 2023-24, showing an decrease of 10.48%. The revenue from operations stood at Rs 1,06,191 Lakhs as compared to Rs 1,11,771 Lakhs achieved last year.

• **PROFITABILITY**

The Company's earnings before depreciation, interest and tax for the current year is Rs 17,044 Lakhs as against Rs 23,865 Lakhs achieved last year. After providing for depreciation of Rs 5,122 Lakhs (previous year Rs 4,177 Lakhs), finance cost of Rs 3,748 Lakhs (previous year Rs 2,445 Lakhs), provision for current tax of Rs 2,510 Lakhs (previous year Rs 5,163 Lakhs), provision for deferred tax (Rs 314) Lakhs (previous year (Rs 693 Lakhs), the Net Profit from the operations is Rs 6,101 Lakhs as compared to Rs 13,274 Lakhs achieved last year. The other income of the Company for the said Financial Year stood at Rs 2,750 Lakhs and Last year stood at Rs 2,083 Lakhs.

• **RESOURCES UTILISATION**

A) Fixed assets

The Net Block as at March 31, 2024 was at Rs 17,473 Lakhs as compared to Rs 17,478 Lakhs in the previous year.

B) Current assets

The current assets as on March 31, 2024 were at Rs. 98,309 Lakhs as against Rs. 1,06,154 Lakhs in the previous year

• **FINANCIAL CONDITION & LIQUIDITY**

The Company enjoys a rating of "(CRISIL) AA- (pronounced double A minus)" from CRISIL Limited (CRISIL) for long term borrowings and "(CRISIL) A1+ (pronounced CRISIL A one plus)" for short term borrowings. Management believes that the Company's liquidity and capital resources should be sufficient to meet its expected working capital needs and other anticipated cash requirements.

The position of liquidity and capital resources of the company is given below:-

	(Rs. in Lakhs)	
PARTICULARS	2023-24	2022-23
Cash and Cash Equivalents		
Beginning of the year	60	32
End of the year	56	60
Net Cash generated (used) by:-		
Operating activities	8,254	(512)
Investing activities	264	(4,752)
Financing activities	(8,522)	5,292

3. SHARE CAPITAL

The Authorized Share Capital of your Company as at March 31, 2024 stands at Rs. 25,00,00,000 divided into 2,50,00,000 Equity Shares of Rs. 10/- each. As at March 31, 2024, the Issued, Subscribed and Paid-up Equity Share Capital of the Company stood at Rs. 20,73,20,640 divided into 2,07,32,064 Equity Shares of Rs. 10/- each.

There was neither any issue of Equity shares with differential rights as to dividend, voting or otherwise nor grant of any stock options or sweat equity under any scheme during the year under review. As on March 31, 2024, none of the Directors of the Company was holding any instrument convertible into Equity Shares of the Company.

4. DIVIDEND

Based on the Company's performance, wherein, it has earned a Net Profit of Rs. 6,101 Lakhs, your Board recommends a dividend of Rs. 20/- per Equity Share of Rs. 10/- each (i.e. 200%) for the approval of the members at the ensuing Annual General Meeting. The final dividend on Equity Shares, if declared by the members would involve a cash outflow of around Rs. 4146.41 Lakhs.

The dividend once approved by the members will be payable to those members whose name appear in the Register of members as on the record date. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 17, 2024 to Monday, September 23, 2024 (both days inclusive) and the record date will be Monday, September 16, 2024 for the purpose of payment of dividend for the financial year 2023-2024.

DIVIDEND DISTRIBUTION POLICY:

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board has formulated and adopted the Dividend Distribution Policy. The Policy is available on the website of the Company at <https://www.montecarlocorporate.com/investor-relation/policies-code>.

5. TRANSFER TO RESERVES

The General Reserve of the Company stood at Rs 38,087 Lakhs as at March 31, 2024.

6. SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Joint Ventures or Associate Company. The company has one unlisted subsidiary named "Monte Carlo Home Textiles Limited."

7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:-

There are no material changes or commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company i.e. March 31, 2024 and the date of this report.

8. REPORTING OF FRAUDS:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of Act and Rules framed thereunder.

9. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNELS

As on March 31, 2024, The Board of Directors presently consists of 12 (Twelve) Directors including a Chairman & Managing Director, 4 (Four) Executive Directors, 1 (One) Non Executive Non Independent Director and 6 (Six) Independent Directors.

The Board consists of a balanced profile having specialization in different fields that enable them to address various business needs of the Company, while placing very strong emphasis on corporate governance.

Directors:

There were no changes in the directors for the year under review.

a) Women Directors:

In terms of the provision of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as on March 31, 2024, Your Company has 3 (Three) Women Directors on the Board namely Smt. Ruchika Oswal (DIN:00565979), Smt. Monica Oswal (DIN:00566052) and Dr. Manisha Gupta (DIN:06910242).

b) Independent Directors**Appointment of Independent Director**

The Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, has appointed Dr. Yash Paul Sachdeva (DIN: 02012337) effective June 27, 2024, Dr. Anchal Kumar Jain (DIN: 09546925) effective June 27, 2024, and Mr. Bhuwanchandra Balkrishna Joshi (DIN: 06713850) effective August 9, 2024 as Additional Directors in the category of Independent Directors. Their appointments will be regularized as Regular Independent Directors at this Annual General Meeting (AGM).

Additionally, Dr. Roshan Lal Behl (DIN: 06443747), who was appointed as an Independent Director effective August 5, 2021, for a period of three years, has been reappointed as an Additional Director effective August 5, 2024, in the category of Independent Director. His appointment will also be regularized as a Regular Independent Director at this AGM.

Declaration of independence from Independent Directors

The Company has received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as of Regulation 16 of the Listing Regulations.
- In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs, Manesar.
- In terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. In terms of Regulation 25(9) of the Listing Regulations, the Board of Directors has ensured the veracity of the disclosures made under Regulation 25(8) of the Listing Regulations by the Independent Directors of the Company.

c) Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Sh. Sandeep Jain (DIN: 00565760), Executive Director and Sh. Rishabh Oswal (DIN: 03610853), Executive Director of the Company, being longest in the office since their last appointments/ re-appointments, shall retire at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment, on the same terms and conditions on which they were appointed/ re-appointed.

In compliance with Regulation 36 of Listing Regulations and Secretarial Standard-2 on General Meetings, brief resumes of all the Directors proposed to be appointed / re-appointed are attached along with the Notice calling the ensuing Annual General Meeting.

d) Details of Familiarisation Programme:

The details of the programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model and related matters are posted on the website of the Company at <https://montecarlocorporate.com/Pdfs/Familiarization%20program%202023-241716370753.pdf>

e) Key Managerial Personnel (KMP's)

The following persons are the Key Managerial Personnel (KMP's) of the Company as on March 31, 2024 in

terms of provisions of Section 203 of the Companies Act, 2013 and rules made thereunder:

Names of KMP's	Designation
Sh. Jawahar Lal Oswal	Chairman & Managing Director
Sh. Sandeep Jain	Executive Director
Smt. Ruchika Oswal	Executive Director
Smt. Monica Oswal	Executive Director
Sh. Rishabh Oswal	Executive Director
Sh. Raj Kapoor Sharma	Chief Financial Officer
Sh. Ankur Gauba	Company Secretary

10. NUMBER OF BOARD MEETINGS HELD

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other business discussions. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) through circulation, as permitted by law, which is confirmed in the subsequent Board Meeting.

During the Financial Year 2023-2024, the Board met on 4 (Four) occasions viz. May 29, 2023; August 07, 2023; November 06, 2023 and February 07, 2024. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

11. COMMITTEES OF THE BOARD

The Company has constituted the following committees in compliance with the Companies Act, 2013 and the Listing Regulations.

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Share Transfer Committee and
6. Risk Management Committee.

All these Committees have been established as a part of the best corporate governance practices. There have been no instances where the Board has not accepted any recommendation of the aforesaid Committees. The details in respect to the Compositions, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

12. ANNUAL BOARD EVALUATION

In line with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board evaluation issued on January 5, 2017 read with relevant provisions of the SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of the Directors individually, of the Chairman and of the Board as a whole. The performance of the Directors was evaluated through a separate meeting of the Independent Directors. The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, after taking feedback from the Directors and committee members.

A separate meeting of Independent Directors was held on February 07, 2024, to review the performance of Non-Independent Directors', performance of the Board and Committee as a whole and performance of the Chairman of the Company, taking into account the views of Executive Directors and the Non-Executive Directors. The performance of the Independent Directors was evaluated by the entire Board except the person who is being evaluated, in their meeting held on February 07, 2024.

13. PUBLIC DEPOSIT

During the year under review, your Company has not accepted any deposits as envisaged under Section 73 of the Companies Act, 2013 and rules made thereunder.

14. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has an adequate system of internal financial control commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including

adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, work performed by the Internal Auditors, Statutory Auditors and Secretarial Auditors and External Consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the management and the Audit Committee, the Board is of the opinion that Internal Financial Controls of the Company were adequate and effective during the year under review.

15. BUSINESS RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, your management at regular intervals evaluates various risks faced by the Company which could affect its business operations or threaten its existence. Major risks identified by the businesses and functions from time to time are systematically addressed through mitigating actions on a continuing basis.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Board has constituted a CSR Committee under Section 135 of the Companies Act, 2013. As per the adopted CSR policy, the Company is committed to certain CSR initiatives in the fields of Medical Relief and Research, Environmental Sustainability, Education and Social Upliftment etc., in collaboration with its Group Companies through the Implementing Agency i.e Oswal Foundation. The said policy is available at website of the company at link: <https://www.montecarlocorporate.com/investor-relation/policies-code>.

The Company carries on its CSR activities through Oswal Foundation along with the other group companies. The Company discharges its CSR liability by either contributing the amount to the said foundation or making a provision by way of CSR reserve.

The Company was required to spend Rs. 269.00 Lakhs on account of its liability towards Corporate Social Responsibility (CSR) for the financial year 2023-24 and the Company has fulfilled its entire CSR obligation by donating Rs. 269.00 Lakhs to Oswal Foundation, thus complying with the provisions of section 135 of the Companies Act, 2013.

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 including a brief outline of the Company's CSR Policy is annexed as **Annexure-A** hereto and forms part of this report.

17. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy adopted by the Company lays down a framework in relation to selection, appointment/ reappointment of Directors, Key Managerial Personnel and Senior Management alongwith their remuneration. It also lays down criteria for determining qualifications, positive attributes, independence of director(s) and other matters provided under sub section (3) of section 178 of the Companies Act, 2013. The said Policy is available on the website of the Company at following link: <https://www.montecarlocorporate.com/investor-relation/policies-code>.

As mandated by proviso to Section 178(4) of the Companies Act, 2013, salient features of Nomination and Remuneration Policy is annexed as **Annexure- B** hereto and forms part of this report.

18. RELATED PARTY TRANSACTIONS

All the transactions entered into by the Company with its related parties, during the year under review were in the "ordinary course of the business" and on "an arm's length basis", none of which was "material" in accordance with the Company's Related Party Transactions Policy. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is annexed as **Annexure-C**. Further there are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

Prior approval of the Audit Committee was also obtained for all the transactions entered into during the year 2023-24 by the Company with its Group Companies. The details of all the related party transactions were placed before the Audit Committee and Board for its consideration and ratification on quarterly basis.

The details of the transactions entered with Related Parties during the year are provided in the Company's Financial Statements at Note No. 42 of the Notes to Accounts in accordance with the relevant Accounting Standard.

Your Company has framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations and the said policy is available at website of the company at link: <https://www.montecarlocorporate.com/investor-relation/policies-code>.

19. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

The Company has not granted any loans, or provided any guarantee or security that are covered under the provisions of Section 185 of the Companies Act, 2013. In respect of loans given and investments made by the Company during the year, the Company has complied with the provisions of Section 186 of the Companies Act, 2013. The detail of investments made by the Company is given in the notes to the Financial Statements.

20. EXTRACTS OF ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the Annual Return for FY 2023-24 is available on the website of the Company and can be accessed under section "Annual Returns" at link: <https://www.montecarlocorporate.com/investor-relation/shareholding-information>.

21. INSURANCE

Your Company has taken adequate comprehensive insurance policy for its assets against foreseeable perils like fire, flood, public liability, marine, etc. The Company has also taken Directors and Officers Liability insurance policy.

22. INTERNAL CONTROL SYSTEM & ITS ADEQUACY

Your Company has developed a well defined Internal Control System commensurate with the size, scale and complexity of its operations. The internal audit function is entrusted to M/s Gupta Vigg & Co., Chartered Accountants, who were appointed as Internal Auditors by the Board in terms of Section 138 of the Companies Act, 2013 and rules made thereunder. The Internal Auditors monitors and evaluates adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Significant audit observations are addressed to the Audit Committee and the Committee thereafter reviews the adequacy and effectiveness of the internal control systems and suggests various measures to improve and strengthen the same.

23. CORPORATE GOVERNANCE

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same from time to time. The Company has duly complied with the Corporate Governance requirements. Further a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations alongwith a Certificate from a Practising Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms part of the Annual Report.

24. AUDITORS

Statutory Auditors & Auditor's Report

The Members of the company in the 14th Annual General Meeting (AGM) held on September 28, 2022 has appointed M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 015125N) as Statutory Auditors for a period of 5 years, i.e. to hold office from the conclusion of the 14th AGM of the company till the conclusion of the 19th AGM of the company.

During the year under review, there were no frauds reported by Auditors under Section 143 (12) of Companies Act, 2013. The Auditor's Report on the Annual Accounts of the Company for the year under review is self-explanatory and requires no comments. Further, there are no qualifications in the report that calls for Board's explanation.

Cost Auditor

In terms of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not covered under the purview of Cost Audit.

Secretarial Auditor

The Board upon recommendation of the Audit Committee has appointed M/s. P.S. Dua & Associates, Company Secretaries (CP No. 3934), as Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2023-24, in terms of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review. The Secretarial Audit Report is annexed as **Annexure-D** hereto and forms part of this report.

25. LISTING OF EQUITY SHARES

The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the listing fees for the Financial Year 2024-2025 have been duly paid to both the Stock Exchanges.

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism/ Whistle blower Policy to encourage employees to report matters about unethical behavior, actual or suspected fraud or violation of Company's code of conduct without the risk of subsequent victimisation and discrimination. The details of the same are explained in the Corporate Governance Report and the said policy is also available on the website of the Company at link: <https://www.montecarlocorporate.com/investor-relation/policies-code>.

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

The Company has adopted a policy against sexual harassment and constituted an Internal Compliant Committee in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the Financial Year 2023-24 the Company has not received any complaints on the same and hence, no complaint was pending as at March 31, 2024.

28. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

As per SEBI LODR, Management Discussion and Analysis, Corporate Governance Report and Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

Pursuant to Regulation 34 of the SEBI LODR, the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the SEBI LODR, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended 31st March, 2024.

29. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In accordance with the Listing Regulations, the Business Responsibility & Sustainability Report (BRSR) describes the performance of the Company on environmental, social and governance aspects and are available on the Company's website and can be accessed at <https://www.montecarlocorporate.com/investor-relation/BUSINESS%20RESPONSIBILITY%20AND%20SUSTAINABILITY%20REPORT>.

30. CORPORATE GOVERNANCE:

Your Company is committed to adhere to the best practices & highest standards of Corporate Governance. It is always ensured that the practices being followed by the Company are in alignment with its philosophy towards corporate governance. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment and compliance with law in letter & spirit. Your

Company proactively revisits its governance principles and practices as to meet the business and regulatory needs.

The Company has complied with the Corporate Governance Code as stipulated under the Listing Regulations. The Report on Corporate Governance in accordance with Regulation 34(3) read with Para C of Schedule V of SEBI (LODR) Regulations, 2015 forms integral part of this Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance is attached to the Report on Corporate Governance.

31. NO DEFAULT

The Company has not defaulted in payment of interest and/ or repayment of loans to any of the financial institutions and/ or banks during the year under review.

32. DISCLOSURE OF REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

Information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-E** hereto and forms part of this report.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure-F** hereto and forms part of this report.

34. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the year under review, your Company has duly complied with the applicable provisions of the Secretarial Standards.

35. HUMAN RESOURCE & INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with the workers and employees at all levels of the organisation. A detailed section on Human Resources/Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

36. INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government after the completion of seven years from the date of transfer to the Unpaid Dividend Account of the Company. The shareholders whose dividends have been transferred to the IEPF Authority can claim their dividend from the authority.

The unclaimed or unpaid dividend relating to the financial year 2016-2017 is due for remittance in the month of November, 2024 to Investor Education and Protection Fund established by the Central Government. The Company has already sent email / notices in the month of July, 2024 to the members informing them to claim the Unclaimed Dividend / Shares before such transfer of dividend to the IEPF Authority. The details of these Unclaimed Dividend / Shares required to be transferred to the IEPF Authority are also provided on the website of the Company at www.montecarlocorporate.com.

During the year 2023-24, the unclaimed or unpaid dividend relating to the financial year 2015-2016 has been remitted to Investor Education and Protection Fund established by the Central Government. Further according to the Rules, the shares in respect of which dividend has not been paid or claimed by shareholders for seven consecutive years or more shall also be transferred to the IEPF Authority. The Company has sent notice to all shareholders whose shares are due to be transferred to the IEPF Authority and has also published requisite advertisement in the newspapers in this regard.

During the year under review the company has transferred to IEPF: -

Particulars	Details
Outstanding balance of Unclaimed Dividend 2015-16 refund account (in Rs)	3,16,800

37. DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance of Section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

38. GENERAL DISCLOSURES

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

- 1. 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.
- 2. Change in nature of Business of Company.
- 3. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year is not applicable; and
- 4. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

39. ACKNOWLEDGEMENT & APPRECIATION

Your Board is grateful to express its deep sense of gratitude and appreciation to all the Shareholders, Customers, Vendors, Bankers, Financial Institutions and Business Associates of the Company for their continued support during the relevant financial year. Your Board acknowledges support and cooperation received from all the regulatory authorities of the Central Government and State Government respectively.

It also express its sincere appreciation of the employees at all levels for being encouraged to meet several challenges encountered and look forward to their valuable support and commitment in the times ahead.

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

**ANNEXURE-A TO THE DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
FOR THE FINANCIAL YEAR 2023-24:**

1. Brief Outline on CSR Policy of the Company:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the Corporate Social Responsibility Policy (CSR Policy) and recommended the same to the Board of Directors of the Company for its approval. The Board of Directors in their meeting held on 06.08.2015 has adopted the CSR Policy as recommended by CSR Committee. Under the CSR Policy, Company through Oswal Foundation, a Registered Society along with other Group Companies, will broadly focus on medical relief and research, Environment Protection / Sustainability, Promoting Education, Social Upliftment and / or any other activity as envisaged in the Companies Act, 2013. The CSR policy is also available on the Company's website i.e www.montecarlocorporate.com.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Jawahar Lal Oswal	Chairman	3	3
2.	Sh. Dinesh Gogna	Member	3	3
3.	Sh. Suresh Kumar Singla	Member	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of CSR committee	https://www.montecarlocorporate.com/Pdfs/Composition%20of%20committee11656934985.pdf
CSR Policy	https://www.montecarlocorporate.com/Pdfs/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY1574676509.pdf
CSR projects approved by the board	https://www.montecarlocorporate.com/Pdfs/csr%20project1723802855.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

The Company has been conducting internal impact assessments to monitor and evaluate its strategic CSR programs.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
NIL			

6. Average net profit of the company as per section 135(5): Rs 13,450.00 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): Rs 269.00 Lakhs

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs 269.00 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

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

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
NOT APPLICABLE											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1.	Donation to Oswal Foundation	Rural Development & others	Yes	Punjab	Ludhiana	269.00	No	Oswal Foundation	CSR00000145

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs 269.00 lakhs

(g) Excess amount for set off, if any

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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (In Rs)	Date of Transfer	
1.	2022-2023	--	--	--	--	--	--
2.	2021-2022	--	--	--	--	--	--
3.	2020-2021	--	--	--	--	--	--

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NOT APPLICABLE								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

ANNEXURE B TO THE DIRECTORS' REPORT

SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY

[As per proviso to Section 178(4) of the Companies Act, 2013]

APPLICABILITY

This Policy is applicable to:

- a. Directors (Executive, Non-Executive and Independent)
- b. Key Managerial Personnel (KMP)
- c. Senior Management Personnel
- d. Other employees as may be decided by the Committee ("NRC")

OBJECTIVE

The Policy provides criteria for:

1. Determining qualifications, positive attributes and independence of a Director;
2. Performance evaluation of Independent Directors, non-independent Directors, Chairman and the Board;
3. Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, as may be decided by the Committee;

PROVISIONS RELATING TO REMUNERATION OF MANAGING DIRECTOR, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The following are the guiding factors

- The scope of duties, the role and nature of responsibilities;
- The level of skill, knowledge, experience, local factors and expectations of individual;
- The Company's performance, long term strategy and availability of resources;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and other employees of the quality required to run the Company successfully; and
- Relationship of remuneration to performance is clear and meets appropriate performance benchmark;

PROVISIONS RELATING TO REMUNERATION OF NON-EXECUTIVE / INDEPENDENT DIRECTOR(S)

The following are the guiding factors:

- The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and as decided by the Board from time to time.
- The Non-Executive/ Independent Director(s) may also receive remuneration / compensation / commission etc as per criteria/limit thereof prescribed under Companies Act, 2013 and rules made thereunder.
- Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders', as may be applicable.

EVALUATION

The evaluation will be done on following parameters:

1. Role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;
2. Attendance and contribution at Board and Committee meetings;
3. Subject expertise, skills, behavior, experience, leadership qualities, understanding of business and strategic direction to align company's values and standards;

4. Ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
5. Vision on Corporate Governance and Corporate Social Responsibility;
6. Ability to create a performance culture that drives value creation and a high quality of discussions;
7. Effective decision making ability to respond positively and constructively to implement the same to encourage more transparency;
8. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity;
9. Contribution to enhance overall brand image of the Company.

ANNEXURE-C TO THE DIRECTORS' REPORT

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.

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 arms length transaction under third proviso thereto.

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

During the Financial Year 2022-23, the Company had not entered into any contract/ arrangement/ transaction with its related parties which is not in ordinary course of business or at arm's length.

- (a) Name(s) of the related party and nature of relationship: **Not Applicable**
- (b) Nature of contracts/arrangements/transactions: **Not Applicable**
- (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
- (e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
- (f) Date of approval by the Board: **Not Applicable**
- (g) Amount paid as advances, if any: **Not Applicable**
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**

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

All the transactions entered into by the Company with its related parties, during the year under review were in the "ordinary course of the business" and on "an arm's length basis", none of which was "material" in accordance with the Company's Related Party Transactions Policy.

- (a) Name(s) of the related party and nature of relationship: **Not Applicable**
- (b) Nature of contracts/arrangements/transactions: **Not Applicable**
- (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
- (e) Date(s) of approval by the Board, if any: **Not Applicable**
- (f) Amount paid as advances, if any: **Not Applicable**

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

ANNEXURE-D TO THE DIRECTORS' REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2024****[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]****To****The Members****Monte Carlo Fashions Limited
B-XXIX-106, G.T.Road, Sherpur
Ludhiana-141003, Punjab.
(CIN: L51494PB2008PLC032059)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Monte Carlo Fashions 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2024 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as per the information provided to us.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not applicable to the Company during the period under review.
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- Not Applicable to the Company during the Review Period.
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable to the Company during the Review Period.
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the period under review.

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the Company during the period under review.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that we have relied upon the representation made and other documents provided by the Company, its officers and on the examination of the same on test check basis, the Company has complied with the following applicable laws:

1. The Factories Act, 1948;
2. The Payment of Wages Act, 1936 and The Payment of Wages (Amendment) Act, 2017;
3. The Payment of Bonus Act, 1965 and The Payment of Bonus (Amendment) Act, 2015;
4. The Payment of Gratuity Act, 1972;
5. The Industrial Employment (Standing Orders) Act, 1946;
6. The Industrial Disputes Act, 1947;
7. The Employees' State Insurance Act, 1948;
8. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
9. The Environment (Protection) Act, 1986;
10. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
11. The Water (Prevention And Control of Pollution) Act, 1974;
12. The Air (Prevention And Control of Pollution) Act, 1981;
13. The Boilers Act, 1923 and The Indian Boilers (Amendment) Act, 2007.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board of Directors were approved unanimously or by majority and were recorded as part of the minutes.

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

**For P.S. Dua & Associates
(Company Secretaries)**

**P.S. Dua
Proprietor**

Membership No: FCS 4552

Certificate of Practice No.: 3934

Peer Review Certificate No. 1296/2021

UDIN: F004552F000899754

**Place: - Ludhiana
Date: - 05.08.2024**

This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

Annexure A to Secretarial Audit Report

**To
The Members
Monte Carlo Fashions Limited
B-XXIX-106, G.T.Road, Sherpur
Ludhiana-141003, Punjab
(CIN: L51494PB2008PLC032059)**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter.

1. Maintenance 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 and relied on the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, 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 P.S. Dua & Associates
(Company Secretaries)**

**P.S. Dua
Proprietor**

**Membership No: FCS 4552
Certificate of Practice No.: 3934
Peer Review Certificate No. 1296/2021
UDIN: F004552F000899754**

**Place: - Ludhiana
Date: - 05.08.2024**

ANNEXURE-E TO THE DIRECTORS' REPORT

Disclosure in the Boards' Report under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration) Rules, 2014

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

S. No.	Name & Designation of Director/KMP	Remuneration for F.Y. 2023-24 (Rs. in Lacs)	% Age increase in the remuneration in the F.Y. 2023-24	Ratio of Remuneration to each director to median remuneration of employees
1.	Sh. Jawahar Lal Oswal Chairman & Managing Director	670	-1.21	345.00
2.	Sh. Sandeep Jain Executive Director	242	1.16	124.44
3.	Smt. Ruchika Oswal Executive Director	86	-2.65	44.24
4.	Smt. Monica Oswal Executive Director	86	-14.74	44.24
5.	Sh. Rishabh Oswal Executive Director	185	17.87	95.02
6.	Sh. Dinesh Gogna Non-Executive Director	1	\$	0.51
7.	Dr. Suresh Kumar Singla Independent Director	1	\$	0.51
8.	Dr. Manisha Gupta Independent Director	1	\$	0.51
9.	Sh. Alok Kumar Misra Independent Director	1	\$	0.51
10.	Sh. Roshan Lal Behl Independent Director	1	\$	0.51
11.	Sh. Manikant Prasad Singh Independent Director	1	\$	0.51
12.	Sh. Parvinder Singh Pruthi Independent Director	1	\$	0.51
13.	Sh. Raj Kapoor Sharma Chief Financial Officer	31	6.55	15.67
14.	Sh. Ankur Gauba Company Secretary	12	10.31	6.28

\$ Details not given as the sitting fees has remained constant at Rs. 25,000/- per Board Meeting.

- The median remuneration of employees of the Company during the financial year was at Rs. 1.94 Lakhs.
- In the financial year, there was a increase of 9.03% in the median remuneration of employees.
- There were 2,020 permanent employees on the rolls of Company as on March 31, 2024.
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2023-24 was 11.97% whereas increase in the managerial remuneration for the same financial year was 0.64% .
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

STATEMENT OF PARTICULARS OF EMPLOYEES UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2024.

A. DETAILS OF THE PERSONS EMPLOYED THROUGHOUT THE YEAR, WHO WERE IN RECEIPT OF REMUNERATION WHICH IN AGGREGATE WAS NOT LESS THAT RS 102 LAKHS PER ANNUM AND RS 8.50 LAKHS PER MONTH IS AS FOLLOWS:-

Name of Employees	Age in years	Designation	Qualification	Nature of Employment	Experience in Years	Date of Commencement of Employment	Remuneration (in Rs. Lakhs)	Last Employment Held
Sh. Jawahar Lal Oswal	81	Managing Director	Graduate	Full-time	60	01.07.2008	670	Oswal Woollen Mills Ltd.
Sh. Sandeep Jain	53	Executive Director	Graduate	Full-time	30	01.08.2012	242	Oswal Woollen Mills Ltd.
Sh. Rishabh Oswal	32	Executive Director	B.A. (Hons.), Executive MBA	Full-time	11	01.01.2015	185	Cotton County Retail Ltd.

B. STATEMENT SHOWING NAMES OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR IS AS FOLLOWS:-

Name of Employees	Age in years	Designation	Qualification	Nature of Employment	Experience in Years	Date of Commencement of Employment	Remuneration (in Rs. Lakhs)	Last Employment Held
Sh. Jawahar Lal Oswal	81	Managing Director	Graduate	Full-time	60	01.07.2008	680	Oswal Woollen Mills Ltd.
Sh. Sandeep Jain	53	Executive Director	Graduate	Full-time	30	01.08.2012	242	Oswal Woollen Mills Ltd.
Sh. Rishabh Oswal	32	Executive Director	B.A. (Hons.), Executive MBA	Full-time	11	01.01.2015	185	Cotton County Retail Ltd.
Smt. Ruchika Oswal	53	Executive Director	Graduate	Full-time	23	10.08.2011	86	Oswal Woollen Mills Ltd.
Smt. Monica Oswal	53	Executive Director	Graduate	Full-time	23	10.08.2011	86	Oswal Woollen Mills Ltd.
Sh. Sumit Agrawal	46	Head-Production/ (Non-Woolen)	Graduate	Full-time	26	20.12.2015	36	Creative Line International Pvt. Ltd.
Sh. Manish Chopra	46	Head-Production/ (Non-Woolen)	Graduate	Full-time	26	01.04.2011	34	Oswal Woollen Mills Ltd.
Sh. Vikas Jain	52	Head-Production/ (Woolen)	Graduate	Full-time	26	01.04.2011	31	Oswal Woollen Mills Ltd.
Sh. Raj Kapoor Sharma	56	Chief Financial officer	B.com, C.A.	Full-time	30	01.07.2017	31	Vardhman Polytex Limited
Smt. Shruti Shukla	39	Head-Marketing/ (Ecommerce)	Post Graduate	Full-time	16	28.12.2019	30	Jasper Infotech Pvt ltd (Snapdeal.com)

NOTES:

1. Sh. Jawahar Lal is father of Smt. Ruchika Oswal and Smt. Monica Oswal and grandfather of Sh. Rishabh Oswal and father-in-law of Sh. Sandeep Jain and Smt. Ruchika Oswal is spouse of Sh. Sandeep Jain.
2. Except as stated in Note No. 1, none of the other above mentioned persons are related to any Director and Key Managerial Personnel of the Company.
3. The remuneration as shown above includes, inter-alia, House Rent Allowance, Company's contribution to Provident Fund, incentives and other perquisites as per the Company's policy.
4. None of the employee has drawn in excess of remuneration drawn by MD/ WTD and holds along with spouse and dependent children not less than 2% of the Equity Shares of the Company as on March 31, 2024.

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

ANNEXURE-F TO THE DIRECTORS' REPORT

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy;

- Installation of energy efficient LED lights by replacing all conventional lights
- Regular Supervision and control are being maintained in areas where steps have already been taken for the conservation of energy.
- Replaced 100 KVA UPS resulting the energy efficiency increased to 96% from 80%.

(ii) The steps taken by the company for utilizing alternative source of energy;

In addition to the existing installed at the Registered Office, the Company has installed 188KW solar plant at Unit-1 and 240 KW solar plant at Unit-2 of the company.

(iii) The capital investment on energy conservation equipment: Nil

B. TECHNOLOGY ABSORPTION:

(i) The efforts made towards technology absorption;

The Company has been continuously improving on resource use efficiencies, especially that of common resources such as water, fuel and energy. The Company follows series of environmental performance indicators for monitoring natural resources consumption on per case basis and continual improvement is being achieved and sustained.

(ii) The benefits derived as result of the above efforts:

It has helped the Company tremendously in development of new products, and keeping its leading position in the market.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

The company has not imported technology in the sense required under sub column 3 of the form in as much as it has not sought nor received any import license or foreign exchange for the import of technology alone.

(iv) The expenditure incurred on Research & Development: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo in terms of actual outflows is as follows.

(Amount in Rs.)

	2023-2024	2022-2023
i) Total Foreign Exchange outgo	21,59,06,280.61	36,06,89,351.00
ii) Total Foreign Exchange earned	1,30,51,708.00	Nil

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

REPORT ON CORPORATE GOVERNANCE

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE REPORT

Corporate Governance is a reflection of the principles embedded in its values, policies and day-to-day business practices, leading to sustainable and value-driven growth for the Company. Monte Carlo Fashions Limited (MCFL/ Company) is committed to maintain the highest standards of corporate governance, disclosure practices, professionalism, transparency and accountability in all its dealings which leads to increased operational efficiencies and growth as well as enhancing investor confidence. Beyond mere compliance we are committed towards taking initiative to enhance investor's wealth in the long run. This is reflected in the well balanced and independent structure of Company's eminent and well represented Board of Directors ("Board"). The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials, performance and operations of the Company.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2024. A certificate from the Managing Director to this effect is attached to this Report. The Code has been displayed on the Company's website at <https://www.montecarlocorporate.com/investor-relation/policies-code>.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amended as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company Secretary acts as the Compliance Officer.

The Code of Conduct is applicable to Promoter(s), Director(s), Key Managerial Personnel ("KMP"), specified employees and other Connected Person of the Company who are expected to have access to Unpublished Price Sensitive Information (UPS) relating to the Company. All of them have duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. These Codes are displayed on the website of the Company. The Directors and senior employees have given affirmation for the compliance under this code.

The Company is in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for Corporate governance.

1. BOARD OF DIRECTORS

The Company has a diversified Board, constituted in compliance with the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in accordance with the best practices of Corporate Governance. The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. The Company is managed by the Board of Directors in co-ordination with the Senior Management.

The Board of Directors meets at least once in every quarter and also as and when required.

During the year under review, the Board met on 4 (Four) occasions viz. May 29, 2023, August 07, 2023, November 06, 2023 and February 07, 2024. The maximum gap between any two Board meetings was less than one hundred and twenty days.

A. The following table describes the composition and category of each director on the Board, their status, their attendance at the Board Meetings and the last Annual General Meeting (“AGM”) together with the details of number of other directorships and Committee Membership(s)/ Chairmanship(s) of each Director as at March 31, 2024

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at AGM held on 31.08.2023	No. of Directorship ¹	No. of Committees in which Chairman/ Member ²	
					Chairman	Member ³
Sh. Jawahar Lal Oswal ⁴	Promoter, Chairman & Managing Director	4 of 4	Present	8	-	-
Sh. Sandeep Jain ⁴	Executive Director	4 of 4	Present	4	-	1
Smt. Ruchika Oswal ⁴	Promoter, Executive Director	3 of 4	Present	3	-	-
Smt. Monica Oswal ⁴	Promoter, Executive Director	3 of 4	Present	5	-	2
Sh. Rishabh Oswal ⁴	Executive Director	3 of 4	Present	7	-	1
Sh. Dinesh Gogna	Non-Executive, Non Independent Director	4 of 4	Present	8	1	6
Dr. Suresh Kumar Singla	Non-Executive Independent Director	4 of 4	Present	3	-	3
Dr. Manisha Gupta	Non-Executive Independent Director	4 of 4	Present	7	2	7
Sh. Alok Kumar Misra	Non-Executive Independent Director	4 of 4	Present	5	-	3
Dr. Roshan Lal Behl	Non-Executive Independent Director	4 of 4	Present	7	5	9
Sh. Manikant Prasad Singh	Non-Executive Independent Director	4 of 4	Present	-	-	-
Sh. Parvinder Singh Pruthi	Non-Executive Independent Director	4 of 4	Present	1	-	-

1. The number of directorships excludes directorship of Monte Carlo Fashions Limited, Private Companies, Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.
2. Chairmanship/ Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than Monte Carlo Fashions Limited.
3. Number of memberships in Committees are inclusive of Chairmanship.
4. Smt. Ruchika Oswal and Smt. Monica Oswal are Daughters of Sh. Jawahar Lal Oswal, Sh. Sandeep Jain is related to Sh. Jawahar Lal Oswal being husband of Smt. Ruchika Oswal and Sh. Rishabh Oswal is grandson of Sh. Jawahar Lal Oswal.

B. The following table gives the names of the listed entities where the Directors of the Company are Directors and the Category of their respective directorship as on 31.03.2024:-

Name of the Director	Name of the listed companies in which the Director of the Company is a Director	Category of Directorship in the listed companies
Sh. Jawahar Lal Oswal	Nahar Industrial Enterprises Limited	Non-Executive Director
	Nahar Poly Films Limited	Non-Executive Director
	Nahar Spinning Mills Limited	Non-Executive Director
	Nahar Capital & Financial Services Limited	Non-Executive Director
Smt. Monica Oswal	Oswal Leasing Limited	Non-Executive Director

Sh. Dinesh Gogna	Nahar Industrial Enterprises Limited	Non-Executive Director
	Nahar Poly Films Limited	Non-Executive Director
	Nahar Spinning Mills Limited	Non-Executive Director
	Nahar Capital & Financial Services Limited	Non-Executive Director
	Oswal Leasing Limited	Non-Executive Director
Dr. Suresh Kumar Singla	Nahar Industrial Enterprises Limited	Independent Director
	Kovalam Investment And Trading Company Limited	Independent Director
Dr. Manisha Gupta	Nahar Poly Films Limited	Independent Director
	Nahar Industrial Enterprises Limited	Independent Director
	Nahar Spinning Mills Limited	Independent Director
	Oswal Leasing Limited	Independent Director
	Nahar Capital & Financial Services Limited	Independent Director
Sh. Alok Kumar Misra	The Investment Trust of India Limited	Independent Director
	Mrs. Bectors Food Specialties Limited	Independent Director
Dr. Roshan Lal Behl	Nahar Industrial Enterprises Limited	Independent Director
	Nahar Spinning Mills Limited	Independent Director
	Nahar Capital & Financial Services Limited	Independent Director
	Nahar Poly Films Limited	Independent Director
	Oswal Leasing Limited	Independent Director
Sh. Parvinder Singh Pruthi	Nahar Industrial Enterprises Limited	Independent Director

C. SHAREHOLDING DETAILS OF DIRECTORS AS ON March 31, 2024:

The detail of the Directors shareholding in the Company is given as follows:

Name of Directors*	No. of Shares
Sh. Jawahar Lal Oswal	105059
Smt. Ruchika Oswal	515838
Smt. Monica Oswal	515837
Sh. Rishabh Oswal	10500
Sh. Dinesh Gogna	2000

*None of the other Directors holds any share of the Company.

D. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates, business model of the Company and the ongoing events relating to the Company. It aims to provide the Independent Directors an insight into the Company's functioning and to help them to understand its business in depth, so as to enable them to contribute significantly during the deliberations at the Board and Committee meetings. The details of Familiarization Programme imparted to Independent Directors during the year can also be accessed from the company's website at link: <https://montecarlocorporate.com/Pdfs/Familiarization%20program%202023-241716370753.pdf>

Directors and Officers Insurance ('D&O')

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has taken adequate D&O insurance for directors, officers and employees of the Company.

E. CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD MEMBERS

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

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

- Business Dynamics, Research & Development and Innovation
- Strategy and planning
- Leadership / Operational experience
- Financial, Regulatory / Legal & Risk Management
- Corporate Governance

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Director	Area of Expertise
Sh. Jawahar Lal Oswal	Business Dynamics, Research & Development and Innovation Strategy and planning Leadership / Operational experience Financial, Regulatory / Legal & Risk Management Corporate Governance
Sh. Sandeep Jain	Business Dynamics, Research & Development and Innovation Strategy and planning Leadership / Operational experience Corporate Governance
Smt. Ruchika Oswal	Business Dynamics, Research & Development and Innovation Strategy and planning
Smt. Monica Oswal	Business Dynamics, Research & Development and Innovation Strategy and planning
Sh. Rishabh Oswal	Business Dynamics, Research & Development and Innovation Strategy and planning Leadership / Operational experience Financial, Regulatory / Legal & Risk Management
Sh. Dinesh Gogna	Strategy and planning Financial, Regulatory / Legal & Risk Management Corporate Governance
Dr. Suresh Kumar Singla	Financial, Regulatory / Legal & Risk Management Corporate Governance
Sh. Alok Kumar Misra	Strategy and Planning Leadership / Operational experience Financial, Regulatory / Legal & Risk Management
Dr. Manisha Gupta	Financial, Regulatory / Legal & Risk Management Corporate Governance
Dr. Roshan Lal Behl	Financial, Regulatory / Legal & Risk Management Corporate Governance
Sh. Manikant Prasad Singh	Financial, Regulatory / Legal & Risk Management Corporate Governance
Sh. Parvinder Singh Pruthi	Business Dynamics, Research & Development and Innovation Strategy and planning Financial, Regulatory / Legal & Risk Management

F. INDEPENDENT DIRECTORS CONFIRMATION BY THE BOARD

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

G. RESIGNATION OF INDEPENDENT DIRECTOR

During the year under review, No Independent Director have resigned from the company.

H. DIRECTORS' DIRECTORSHIPS/COMMITTEE MEMBERSHIPS

The number of Directorships and Committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on 31st March, 2024. As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the directors were a member in more than ten committees or a chairman in more than five committees across all companies.

Further, As per Regulation 17A of the Listing Regulations, Independent Directors (IDs) of the Company do not serve as ID in more than seven listed companies. Further, the Managing Director of the Company does not serve as an ID in any listed entity.

I. BOARD MEETING PROCEDURES

The Board is presented with detailed notes, along with the agenda papers, well in advance of the meeting. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The required information as enumerated in Part A of Schedule II of the Listing Regulations are regularly made available to the Board of Directors for discussion and consideration at Board Meetings.

J. INFORMATION SUPPLIED TO THE BOARD

Regular presentations are made to the Board of Directors covering Business Operations, Finance, Sales, Accounts, Marketing, Compliances and other important business issues. The Annual Operating and Capital Budget(s) are approved by the Board of Directors. The Board spends considerable time in reviewing the actual performance of the Company vis- à-vis the approved budget.

2. COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees of Board in accordance with the provisions of Companies Act, 2013 and the Listing Regulations to take informed decision in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. These Committees play an important role in overall management of day to day affairs and governance of the Company. Details on the role and composition of these committees, including the no. of meetings held during the financial year and attendance at meetings are provided below:

(A) Audit Committee:

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 read with Part C of Schedule II of the Listing Regulations. It functions in accordance with its charter that defines its authority, responsibility and reporting function.

The Audit Committee comprises of 5 (Five) members with the Chairman of the Committee being an Independent Director. During the year under review, the Audit Committee met on 4 (four) occasions viz. May 29, 2023 , August 07, 2023, November 06, 2023 and February 07, 2024 to deliberate on various matters. Not more than 120 days lapsed between any two consecutive meetings of the Audit Committee during the year. The necessary quorum was present at all the Meetings.

The composition of the Audit Committee as at March 31, 2024 and particulars of meetings attended by the members during the financial year 2023-24 are given hereunder:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Dr. Suresh Kumar Singla	Chairman	Non-Executive Independent	4
2.	Sh. Dinesh Gogna	Member	Non-Executive	4
3.	Dr. Manisha Gupta	Member	Non-Executive Independent	4
4.	Dr. Alok Kumar Misra	Member	Non-Executive Independent	4
5.	Dr. Roshan Lal Behl	Member	Non-Executive Independent	4

All the members of the Audit Committee have the requisite qualifications for appointment on the Committee and possess sound knowledge of accounting practices, taxation, financial and Internal controls.

The Head of Finance department, the representative(s) of Internal Auditors and the Statutory Auditors are permanent invitees in the meetings of the Committee and they have attended all the Audit committee meetings held during the year where the financial results are considered. The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Audit committee was present through Video-Conferencing mode at the last Annual General Meeting of the Company held on August 31, 2023 for addressing shareholders queries.

Terms of Reference

The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

Power of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower Policy / Vigil Mechanism;
19. Approval of appointment of Chief Financial Officer CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(B) Nomination and Remuneration Committee

- The Nomination and Remuneration Committee comprises of 3 (three) members (all are Non-Executive Directors) and the Chairman of the Committee is an Independent Director. During the year under review, the Committee met once on May 29, 2023. The necessary quorum was present at the meeting. The Company Secretary acts as the Secretary of the Committee.
- Dr. Suresh Kumar Singla, Chairman of the Audit Committee and Nomination and Remuneration Committee was present through video conferencing mode at the last Annual General Meeting of the Company for addressing shareholders queries.
- The composition of the Nomination and Remuneration Committee as at March 31, 2024 and particulars of meetings attended by the members during the financial year 2023-24 are given hereunder:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Dr. Suresh Kumar Singla	Chairman	Non-Executive Independent	1
2.	Sh. Dinesh Gogna	Member	Non-Executive	1
3.	Dr. Roshan Lal Behl	Member	Non-Executive Independent	1

TERMS OF REFERENCE:

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

PERFORMANCE EVALUATION:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the listing regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the non- executive directors and executive directors. The evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The performance was reviewed on the basis of the criteria such as the contribution of the individual director to the Board and committee

meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Directors express their satisfaction over the entire evaluation process.

REMUNERATION TO DIRECTORS:

The remuneration paid to Executive Directors is determined by the Nomination and Remuneration Committee subject to approval of Board that is subject to the limits laid down under Section 197 and Schedule V of the Companies Act, 2013 and in accordance with the terms of Appointment approved by the members of the Company. The Non-Executive Directors have not been paid any remuneration except sitting fees for attending the Board Meetings. The details of remuneration paid to Directors during the Financial Year ended March 31, 2024 are as follows:

(Amount in Rs. Lacs)

Name of the Director	Salaries, perquisites and Allowances	Commission	Sitting fees	Total
Sh. Jawahar Lal Oswal	336.00	334.00	-	670.00
Sh. Sandeep Jain	242.00	-	-	242.00
Smt. Ruchika Oswal	86.00	-	-	86.00
Smt. Monica Oswal	86.00	-	-	86.00
Sh. Rishabh Oswal	185.00	-	-	185.00
Sh. Dinesh Gogna	-	-	1.00	1.00
Sh. Manikant Prasad Singh	-	-	1.00	1.00
Dr. Suresh Kumar Singla	-	-	1.00	1.00
Dr. Manisha Gupta	-	-	1.00	1.00
Sh. Parvinder Singh Pruthi	-	-	1.00	1.00
Sh. Alok Kumar Misra	-	-	1.00	1.00
Dr. Roshan Lal Behl	-	-	1.00	1.00

DIRECTORS WITH PECUNIARY RELATIONSHIP OR BUSINESS TRANSACTION WITH THE COMPANY:

The Executive Directors receives Salary, Perquisites, Allowances and other benefits in accordance with their terms of appointment, while all the Non-Executive Directors/ Independent Directors receives Sitting Fees for attending the Board Meetings. It is also to be noted that the transactions with other entities where Chairman & Managing Director/ Executive Directors are interested are being carried out by the Company in its ordinary course of business and on arm's length basis, in compliance with the laws applicable thereto.

CRITERIA FOR MAKING PAYMENTS TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Executive Directors and Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders and the individual and corporate performance in recommending and approving the remuneration of the Executive Directors and Key Managerial Personnel. Further, the Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Executive Director) and Senior Management based on prevailing HR policies of the Company.

The remuneration / sitting fees, as the case may be paid to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.

(C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of 3 (Three) members and the Chairman of the Committee is Sh. Dinesh Gogna, Non-Executive Director of the Company. During the year under review, Committee met on 4 (Four) occasions viz. May 29, 2023, August 07, 2023, November 06, 2023 and February 07, 2024. The necessary quorum was present at all the meetings. The Company Secretary of the

Company acts as the Secretary of the Committee.

The Committee looks into various queries / issues relating to shareholders / investors including non-receipt of dividend, Annual Report etc., Mr. Ankur Gauba, Company Secretary is the Compliance Officer of the Company.

The composition of the Stakeholders Relationship Committee as at March 31, 2024 and particulars of meetings attended by the members during the financial year 2023-24 are given hereunder:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Dinesh Gogna	Chairman	Non-Executive	4
2.	Sh. Sandeep Jain	Member	Executive	4
3.	Dr. Roshan Lal Behl	Member	Non-Executive Independent	4

Terms of Reference

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Consideration and redressal of grievances of the security holders of the Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of the Company, etc.;
- Approval of transfer or transmission of equity shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.; and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Details of Shareholder's complaints Received, Solved and Pending:

There were zero (0) Complaints/ Queries pending as at March 31, 2024 and during the financial year 2023-24, 5 (Five) Complaints/ Queries were received and all were disposed off to the satisfaction of the Shareholders. No complaints remained unattended/ pending for more than thirty days. The Company has no share transfers/transmission pending as on 31st March, 2024. Further, 2 (two) Complaints/ Queries were received and all were disposed off to the satisfaction of the Shareholders under 'SCORES' during the Financial Year 2023-24.

(D) Corporate Social Responsibility Committee:

The Board has constituted Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act 2013, comprising Sh. Jawahar Lal Oswal as Chairman, Sh. Dinesh Gogna and Dr. Suresh Kumar Singla as members. The Committee met Thrice during the year viz., May 29, 2023; August 07, 2023 and February 07, 2024 and all the members of the Committee were present on these occasions.

Terms of Reference:

The Board has clearly defined terms of reference for the Corporate Social Responsibility (CSR) Committee, which are as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per Schedule VII of Companies Act, 2013 (as amended);
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem subject to the approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

(E) Share Transfer Committee:

Share Transfer Committee has been constituted to expedite and streamline the process of transfer /transmission/ dematerialization/ re-materialization etc. of the Equity Shares of the Company. The Committee comprises of Sh. Jawahar Lal Oswal as Chairman, Sh. Sandeep Jain and Sh. Dinesh Gogna as members. During the year under review, committee met only once viz. August 07, 2023

Terms of Reference

- To approve/register transfer or transmission of shares;
- Dematerialization / Rematerialization of shares;
- Issue of duplicate/split/consolidated share certificates;
- Review of cases for refusal of transfer/transmission of shares;
- To affix or authorize affixation of Common Seal of the Company to the share certificates of the Company;
- To issue share certificates in place of those which are damaged or in which the pages are completely exhausted provided the original certificates are surrendered to the company;

Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.

The table below highlights the composition and attendance of the Members of the Committee as on March 31, 2024

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Jawahar Lal Oswal	Chairman	Chairman & Managing Director	1
2.	Sh. Sandeep Jain	Member	Executive Director	1
3.	Sh. Dinesh Gogna	Member	Non-Executive Director	1

(F) Risk Management Committee:

As per the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendments thereof, the Company falls under the top 1000 list of listed entities determined on the basis of market capitalization as at the end of immediate financial year. Accordingly, in compliance of the said Listing Regulations, the company has constituted a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Committee comprises of Sh. Sandeep Jain as Chairman, Sh. Dinesh Gogna and Sh. Suresh Kumar Singla as members. During the year under review, committee met Thrice viz. August 7, 2023, November 06, 2023 and February 07, 2024.

Terms of Reference

- To review and monitor the risks associated with Company's business.
- To suggest measures for mitigation of the same as per Company's Risk Management Policy.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

The table below highlights the composition and attendance of the Members of the Committee as on March 31, 2024

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Sandeep Jain	Chairman	Executive	3
2.	Sh. Dinesh Gogna	Member	Non-Executive	3
3.	Sh. Suresh Kumar Singla	Member	Non-Executive Independent	3

(G) Independent Directors' Meeting

During the year under review, a separate meeting of Independent Directors was held on February 07, 2024 interalia:-

- To review the performance of Non-Independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company and;
- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

(H) Senior management:

The Details of Senior Management are as follows:

Sr. No.	Name	Position
1.	Sh. Sumit Aggarwal	Head- Production (Non-Woollen)
2.	Sh. Manish Chopra	Head- Production(Non-Woollen)
3.	Sh. Vikas Jain	Head- Production (Woollen)
4.	Sh. Alok Jain	Head- Production (C&D)
5.	Sh. Devinderjeet Singh	Head- Operations and Administration
6.	Sh. Gurinder Singh Boprai	Head- Marketing
7.	Sh. Amit Maini	Head- Marketing
8.	Sh. Pankaj Kumar	Head- Marketing
9.	Sh. Harminder Pal Singh	Head- Marketing
10.	Sh. Rahul Prabhakar	Head- Marketing
11.	Sh. Pankaj Kaura	Head- Marketing
12.	Sh. Raj Kapoor Sharma	Chief Financial officer
13.	Smt. Shruti Shukla	Head- E-commerce
14.	Sh. Ankur Gauba	Company Secretary and Compliance officer

During the year under review. there was following change in the senior management since the close of the previous financial year.

Sr. No.	Name*	Position	Nature of Change
1.	Sh. Jagjit Singh Ahluwalia	Head- HR	Resignation
2..	Sh. Vikas Sethi	Head- IT	Resignation

*They have confirmed that there is no material reason for their resignation and has resigned only due to their personal reasons.

3. SUBSIDIARY COMPANIES

The Company has not any materially non-listed subsidiary. However, the company has one wholly owned subsidiary namely “Monte Carlo Home Textiles Limited”.

4. GENERAL BODY MEETINGS:

A. THE DETAILS OF THE LAST THREE ANNUAL GENERAL MEETING(S) OF THE COMPANY ARE GIVEN AS FOLLOWS:

Year	Day and Date	Time	Venue	No. of Special Resolutions
2022-2023	Thursday, August 31, 2023	11:00 A.M.	Meeting was transacted through Electronic Mode. Deemed Venue:- Registered Office of the Company situated at B-XXIX-106, G. T. Road, Sherpur, Ludhiana-141003.	3
2021-22	Wednesday, September 28, 2022	11.00 A.M.	Meeting was transacted through Electronic Mode. Deemed Venue:- Registered Office of the Company situated at B-XXIX-106, G. T. Road, Sherpur, Ludhiana-141003.	2
2020-21	Friday, September 24, 2021	11.00 A.M.	Meeting was transacted through Electronic Mode. Deemed Venue:- Registered Office of the Company situated at B-XXIX-106, G. T. Road, Sherpur, Ludhiana-141003.	3

B. DETAILS OF SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE ANNUAL GENERAL MEETINGS

2022-2023: 1. Re-appointment of Sh. Rishabh Oswal (DIN: 03610853) as Executive Director.

2. For borrowing upto the revised limit of Rs. 1,000 Crores.

3. For creation of charge upto the revised limit of Rs. 1,000 Crores.

2021-2022: 1. Re-appointment of Sh. Sandeep Jain (DIN: 00565760) as Executive Director.

2. For making Contributions to Charitable Funds.

2020-21: 1. Re-appointment of Sh. Jawahar Lal Oswal as Chariman and Managing Director

2. Re-appointment of Smt. Ruchika Oswal as Executive Director.

3. Re-appointment of Smt. Monica Oswal as Executive Director.

C. POSTAL BALLOT/ EXTRA-ORDINARY GENERAL MEETING

No Postal Ballot/ Extra-ordinary General Meeting has been done by company during the Financial Year 2023-24.

5. MEANS OF COMMUNICATION:

(a) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.

(b) The approved financial results are sent to the Stock Exchanges forthwith and published in 'Business Standard (English newspaper), Desh Sewak/ Punjabi Jagran (local language Punjabi newspaper), within forty-eight hours of approval thereof.

(c) The Company's financial results and official press releases are displayed on the Company's Website i.e. www.montecarlocorporate.com.

(d) Investor Presentations, Official Press Releases and other general information are sent to the Stock Exchange(s) and are also displayed on the Company's website www.montecarlocorporate.com.

(e) Management Discussion and Analysis report forms part of the Annual Report, which is sent to the shareholders of the Company.

(f) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. Bombay Stock Exchange Limited ["BSE Limited"] and National Stock Exchange of India Limited ["NSE Limited"] ["Stock Exchanges"] are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.

(g) A separate dedicated section under "Investors Relation" on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly / half yearly results and other relevant information of interest to the investors/public.

(h) SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company uploads the action taken report on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

(i) The Company has designated an exclusive email-id for investor services i.e. investor@montecarlocorporate.com and the same is prominently displayed on the Company's website i.e. www.montecarlocorporate.com.

6. GENERAL SHAREHOLDER INFORMATION

16th Annual General Meeting : Monday, September 23, 2024 at 11:00 A.M. through VC/OAVM
Deemed Venue for meeting :

Registered Office : B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003

Financial Year : April 1, 2023 to March 31, 2024

Date of Book Closure : September 17, 2024 to September 23, 2024.
 Dividend Payment Date : The Dividend if declared at AGM, will be paid within stipulated time
 Listing on Stock Exchanges : The Equity Shares of the Company are listed on the following Stock Exchanges:
BSE Limited (BSE)
 Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India Limited (NSE)
 Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai- 400 051.
 ISIN : INE950M01013
 Stock Code/Symbol: BSE- 538836, NSE- MONTECARLO

Listing Fee / Annual Custody Fee:

The Annual Listing Fee has been paid to BSE and NSE for the financial year 2024-2025. The Company has also made the payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2024-25.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') Unclaimed share application money/ dividends not encashed/ claimed within seven years from the date of transfer to Unpaid Dividend Account of the Company are liable to be transferred to the Investor Education and Protection Fund ("IEPF") In accordance with the said IEPF Rules, the Company had sent notices to all the Members whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement. Thereafter, the shares of these Members were transferred to the IEPF and necessary e-form(s) in this regard were filed with MCA.

The Company has during the year, transferred to IEPF the unclaimed dividends, outstanding for seven years up to the financial year 2015-16. The unclaimed or unpaid dividend relating to the Financial Year 2016-17 is due for remittance by the November, 2024 to IEPF.

The details of unclaimed dividend/ shares transferred to IEPF within statutory timelines during FY 2023-24 are as follows:

Particulars	Details
Outstanding balance of Unclaimed Dividend 2015-16 refund account (in Rs.)	3,16,800
Equity Shares (In Nos)	Nil

The Members whose application money due for refund/dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the Authority by following the required procedure. Members are requested to get in touch with the Nodal Officer/ Compliance Officer for further details on the subject at investor@montecarlocorporate.com.

Market Price Data:

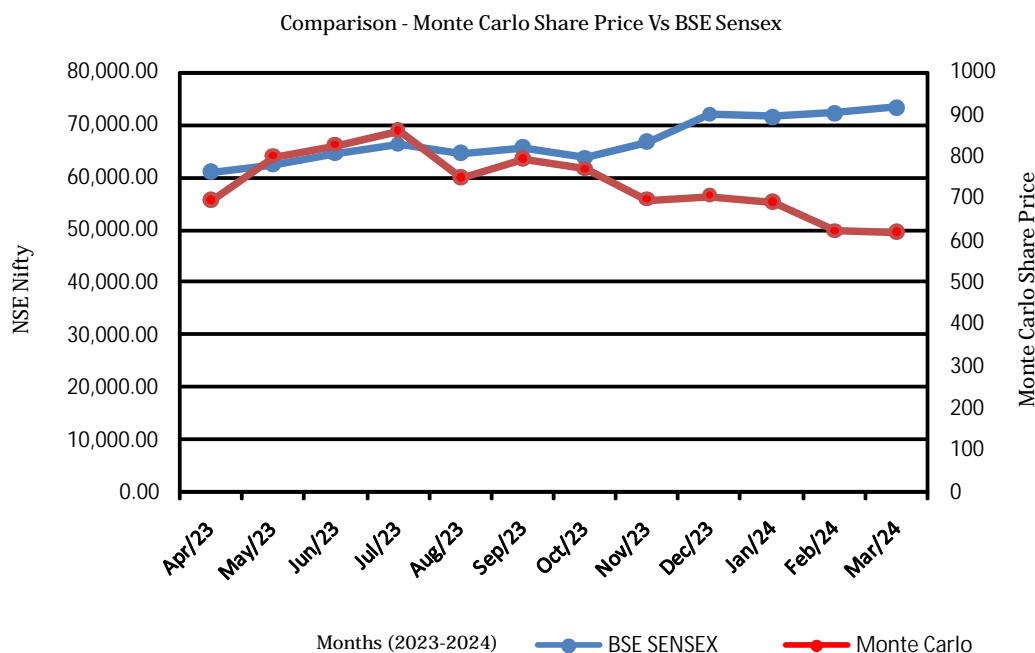
Market Price Data of Company's Equity Shares traded on BSE Limited, during the period April 01, 2023 to March 31, 2024

Month	Share Price BSE			Volume No. of Shares	BSE SENSEX		
	High (Rs.)	Low (Rs.)	Closing (Rs.)		High	Low	Closing
Apr-23	715.10	619.30	697.70	36548	61209.46	58793.08	61112.44
May-23	881.95	683.25	803.35	138922	63036.12	61002.17	62622.24
Jun-23	855.05	766.85	829.90	228478	64768.58	62359.14	64718.56
Jul-23	878.00	790.00	864.95	108278	67619.17	64836.16	66527.67
Aug-23	918.00	734.40	752.05	240306	66658.12	64723.63	64831.41
Sep-23	810.20	735.05	795.95	76144	67927.23	64818.37	65828.41

Oct-23	828.15	722.70	772.55	35982	66592.16	63092.98	63874.93
Nov-23	799.10	687.15	699.70	60470	67069.89	63550.46	66988.44
Dec-23	736.90	673.40	708.90	49039	72484.34	67149.07	72240.26
Jan-24	715.10	662.00	693.95	43156	73427.59	70001.60	71752.11
Feb-24	709.90	620.50	624.05	49684	73413.93	70809.84	72500.30
Mar-24	693.00	605.00	621.00	52255	74245.17	71674.42	73651.35

(Market Price Data Source: www.bseindia.com)

Graphical Representation of the Company's share price in comparison to the broad-based Indices i.e. BSE- Sensex is given below:

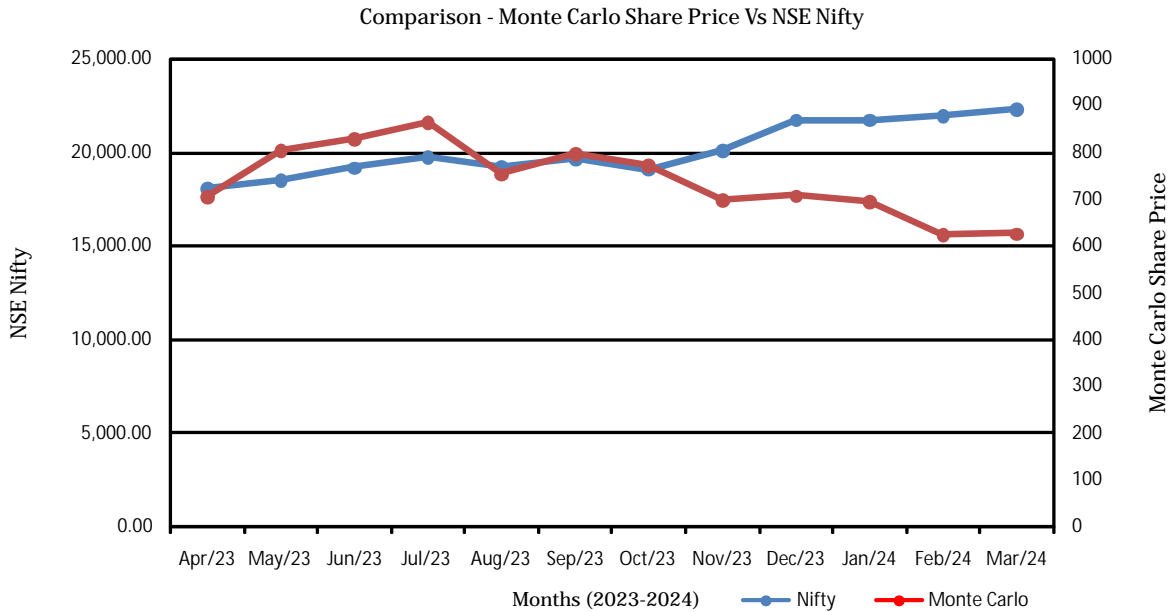


Market Price Data of Company's Equity Shares traded on National Stock Exchange of India Limited, during the period April 1, 2023 to March 31, 2024:

Month	Share Price NSE			Volume No. of Shares	NSE NIFTY		
	High (Rs.)	Low (Rs.)	Closing (Rs.)		High (Rs.)	Low (Rs.)	Closing (Rs.)
Apr-23	717.70	618.55	706.20	479193	18,089.15	17,312.75	18,065.00
May-23	843.60	683.55	804.05	479825	18,662.45	18,042.40	18,534.40
Jun-23	848.70	767.10	828.85	972895	19,201.70	18,464.55	19,189.05
Jul-23	864.55	790.00	864.20	690190	19,991.85	19,234.40	19,753.80
Aug-23	918.00	738.00	753.05	862800	19,795.60	19,223.65	19,253.80
Sep-23	810.00	733.65	797.15	603771	20,222.45	19,255.70	19,638.30
Oct-23	824.40	725.00	771.15	585099	19,849.75	18,837.85	19,079.60
Nov-23	799.00	689.00	698.85	658690	20,158.70	18,973.70	20,133.20
Dec-23	724.90	673.95	707.30	837184	21,801.45	20,183.70	21,731.40
Jan-24	716.95	661.55	694.60	689603	22,124.15	21,137.20	21,725.70
Feb-24	705.10	620.10	623.90	633057	22,297.50	21,530.20	21,982.80
Mar-24	694.95	605.10	626.45	528568	22,526.60	21,710.20	22,326.90

(Market Price Data Source: www.nseindia.com)

Graphical Representation of the Company's share price in comparison to the broad-based Indices i.e. NSE- Nifty is given below:



During the financial year ended 31 March, 2024, securities of the Company have not been suspended from trading on any of the stock exchanges where they are listed.

Registrar & Share Transfer Agent:

LINK INTIME INDIA PRIVATE LIMITED (DELHI OFFICE)

UNIT: MONTE CARLO FASHIONS LIMITED

Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058
PH: 011-41410592, Fax: 011-41410591, Email: delhi@linkintime.co.in

Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2024. The ratings given by CRISIL Limited for short-term borrowings is (CRISIL) AA- (pronounced double A minus) respectively. There was no revision in the said ratings during the year under review.

Dematerialization of Equity Shares and Liquidity:

About 99.98% of the total equity share capital of the Company (20,729,102 Equity Shares) were held in dematerialised form. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares through Link Intime India Private Limited, Registrar & Transfer Agent (RTA) of the Company. The Company's shares are liquid and actively traded on both the Stock Exchanges i.e. NSE and BSE.

Share Transfer System:

In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Share Transfer Committee has been constituted to approve all the transfers, transmission, Demat/ remat of shares etc. and all the share transfer/transmission/transposition/ dematerialization/ re-materialization are handled by our Registrar and Transfer Agents i.e. Link Intime India Private Limited. During the year under review,

all the requests received for transfer/transmission/dematerialization/re-materialization of shares etc. are processed and completed within the stipulated time.

The Company also obtains a Certificate of Compliance with the share transfer formalities from a Practicing Company Secretary as required under Regulation 40(9) of Listing Regulations (erstwhile Clause 47 (c) of the Listing Agreement) and have submitted a copy of the said certificate with the Stock Exchanges on half yearly basis.

Distribution of Shareholding as on March 31, 2024:

S. No.	Distribution of No. of Shares	No. of Shareholders	% age of No. of Share holders	No. of Shares held	%age of shares held
1.	1-1000	29204	98.04	1973181	9.52
2.	1001-5000	448	1.51	914603	4.41
3.	5001-10000	63	0.21	451442	2.17
4.	10001 & Above	74	0.24	17392838	83.90
	Total	29789	100.00	20732064	100.00

Shareholding pattern as on March 31, 2024:

Category	No. of Shares	% age
Promoters & Promoters Group	15169619	73.17
Bodies Corporate, Mutual Fund, Public and Others	5562445	26.83

Reconciliation of Share Capital Audit:

As stipulated by SEBI under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 a Company Secretary in whole time practice carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

Plant Locations:

The manufacturing plants of the company located at:

1. B-XXIX-106, G.T. Road, Sherpur-Ludhiana
2. 231, Industrial Area-A-Ludhiana
3. Plot No-425 & 427, Near Textile Colony-Ludhiana
4. B-XXX-1781/784, Old C-12, Phase V, Focal Point, Ludhiana

Address for Correspondence:

Company	Link Intime India Private Limited (RTA)
The Company Secretary Monte Carlo Fashions Limited B-XXIX-106, G. T. Road, Sherpur, Ludhiana-141003 Tel-0161-5066628 Fax-0161-2542509 Email- investor@montecarlocorporate.com Website: www.montecarlocorporate.com	DELHI OFFICE: UNIT: MONTE CARLO FASHIONS LIMITED Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Email: delhi@linkintime.co.in PH: 011-41410592 Fax: 011-41410591 Email: delhi@linkintime.co.in

The Company has maintained an exclusive email id: investor@montecarlocorporate.com which is designated for investor correspondence for the purpose of registering any complaints / queries and the same have been displayed on the Company's website: www.montecarlocorporate.com.

For any assistance regarding Share Transfer(s), Transmission(s), Change of Address, issue of Duplicates/ Lost share certificate(s)/ Dematerialisation/ Rematerialisation of Share(s) and other relevant matters please write to the Registrar and Transfer Agent (RTA) of the Company.

Further, Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for any change related to Address, Bank details or any other related matter.

7. CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Business Conduct & Ethics for all employees and for members of the Board and Senior Management Personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti – competitive practices.

All members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board and Senior Management for the financial year 2023-24. The declaration to this effect signed by Mr. Jawahar Lal Oswal, Chairman and Managing Director of the Company is annexed to this report as Annexure 'A.' The Code of Conduct for employees and the Board and Senior Management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any.

OTHER DISCLOSURES

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

All the transactions entered during the financial year with the related parties as defined under Companies Act, 2013 and Listing Regulations, are disclosed in detail in Note No. 42 in "Notes forming part of the Accounts" annexed to the Financial Statements for the year ended 31st March, 2024. All the related party transactions were in the ordinary course of business and on Arm's length basis and are not in conflict with the interest of the Company.

- **Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines. Consequently, there were no strictures or penalties imposed either by SEBI or Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

- **Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy / Vigil Mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. Further the Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the Financial Year ended March 31, 2024. The said policy is also available on the website of the company at link: <https://www.montecarlocorporate.com/investor-relation/policies-code>.

- **Weblink where policy for determining 'material' subsidiaries is disclosed:**

As on March 31, 2024, your Company does not have any material Subsidiary.

- **Web link where policy on dealing with related party transactions:**

Your Company has also framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations which is available on the website of the company at link: <https://www.montecarlocorporate.com/investor-relation/policies-code>

- **Other policies:**

Your Company has also framed the Policies (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015 and the same is available on the website of Company at <https://www.montecarlocorporate.com/investor-relation/policies-code>

- **Disclosure of Commodity price risk and commodity hedging activities:** Not Applicable

- **Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations**

The Company has not raised funds through preferential allotment or qualified institutional placement.

- **Recommendations of Committees of the Board**

There were no instances during the financial year 2023-24, wherein the Board had not accepted recommendations made by any committee(s) of the Board.

- **Total fees paid to Statutory Auditors of the Company**

Total fees of Rs. 51,28,216 (Rupees Fifty One Lakhs Twenty Eight Thousand Two Hundred Sixteen Only) for financial year 2023-24 for all services was paid by the Company on a consolidated basis to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

- **Secretarial Compliance Report**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The same has been submitted to the stock exchange within time.

- **CEO/CFO Certification**

As required under Regulation 17 of the Listing Regulations, the CEO/CFO certificate for the financial year 2023-24 signed by Mr. Jawahar Lal Oswal, Chairman and Managing Director and Mr. Raj Kapoor Sharma, Chief Financial officer was placed before the Board of Directors of the Company at their meeting held on August 05, 2024 and is annexed to this Report as **Annexure 'A'**. The said certificate forms part of this report.

- **Certificate From Practicing Company Secretary**

Certificate as required under Part C of Schedule V of Listing Regulations, received from Shri P.S. Dua of M/s P.S. Dua & Associates (C.P. 3934), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on August 05, 2024 and is annexed to this Report as **Annexure 'B'**. The said certificate forms part of this report.

- **Compliance Certificate On Corporate Governance**

As required by Schedule V of the Listing Regulations, the Auditors Certificate on Corporate Governance is annexed to this Report as **Annexure 'C'**. The said certificate forms part of this report.

- **Disclosure of Loans and Advances**

The Company and It's Subsidiary has not given any Loans and Advances (in the nature of Loan) provided by the Company to firms/companies in which its Directors are interested.

- **Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2023- 24 are as under:

- a. Number of complaints filed during the financial year: NIL
- b. Number of complaints disposed of during the financial year: NIL
- c. Number of complaints pending as on end of the financial year: NIL

- **Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

The Company has only wholly owned subsidiary, Monte Carlo Home Textiles Limited and there is no material subsidiaries.

- **Appointment of Nodal Officer**

In accordance with IEPF Rules, the Board of Directors have appointed Mr. Ankur Gauba, Company Secretary of the Company, as the Nodal Officer for the purposes of verification of claims and coordination with IEPF Authority. The Details of the Nodal Officer are available at the website of the Company at <https://www.montecarlocorporate.com/investor-relation/shareholding-information>.

- **Details of Adoption of Non-Mandatory (Discretionary) Requirements**

The status of compliance with the non-mandatory requirements under Regulation 27 of the Listing Regulations are as under:

- **The Board**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

- **Shareholders rights**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

- **Modified opinion(s) in audit report**

There is no modified opinion in the audit report.

- **Reporting of Internal Auditor**

In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports submitted on quarterly basis are reviewed by the Audit Committee and suggestion / directions, if any, are given for necessary action.

- **Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, 2015:**

Pursuant to Schedule V of SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Vigil Mechanism

- Related Party Transactions
 - Corporate governance requirements with respect to subsidiary of Company - Not Applicable
 - Obligations with respect to Independent Directors
 - Obligations with respect to Directors and senior management
 - Other Corporate governance requirements as stipulated under the Regulations
 - Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).
 - the Board of Directors have formulated the Risk Management Committee.
- **Non-compliance of any requirement of corporate governance report with reasons thereof**
The Company has complied with all the requirements of Corporate Governance Report from sub-paras (2) to (10) of Part C of Schedule V of SEBI LODR Regulations, 2015
 - **Disclosure with respect to demat suspense account/unclaimed suspense account**
 - Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: **Nil**
 - Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **Nil**
 - Number of shareholders to whom shares were transferred from suspense account during the year: **Nil**
 - Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: **Nil**
 - That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **Not Applicable**
 - All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account.
 - **Disclosure of certain types of agreements binding listed entities(1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.**
During the year under review, the company has not entered into any such kind of agreements.

For and on behalf of Board of Directors

Place: Ludhiana
Date: 05.08.2024

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

**Annexure A to Report on Corporate Governance for the financial year ended March 31, 2024
DECLARATION REGARDING COMPLIANCE WITH CODE OF BUSINESS CONDUCT & ETHICS**

As provided under Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Monte Carlo Fashions Limited Code of Business Conduct and Ethics for the year ended March 31, 2024.

For and on behalf of Board of Directors

**Place: Ludhiana
Date: 05.08.2024**

**Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)**

CEO / CFO CERTIFICATION

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We hereby confirm that there were no:
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year that requires any disclosure in the notes to the financial statements; and
 - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Monte Carlo Fashions Limited

For Monte Carlo Fashions Limited

**Place: Ludhiana
Date: 05.08.2024**

**Jawahar Lal Oswal
Chairman & Managing Director**

**Raj Kapoor Sharma
Chief Financial Officer**

**Annexure B to Report on Corporate Governance for the
financial year ended March 31, 2024**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,
THE MEMBERS
MONTE CARLO FASHIONS LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Monte Carlo Fashions Limited, having CIN: L51494PB2008PLC032059 (hereinafter referred to as 'the Company') and having registered office at B-XXIX-106 G.T. Road, Sherpur, Ludhiana-141003, Punjab, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below and who were on the Board of Directors of the Company as on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in company*
1.	Sh. Jawahar Lal Oswal	00463866	01/07/2008
2.	Sh. Sandeep Jain	00565760	01/07/2008
3.	Smt. Ruchika Oswal	00565979	30/10/2010
4.	Smt. Monica Oswal	00566052	30/10/2010
5.	Sh. Rishabh Oswal	03610853	25/05/2018
6.	Sh. Dinesh Gogna	00498670	01/07/2008
7.	Sh. Alok Kumar Misra	00163959	09/08/2016
8.	**Sh. Suresh Kumar Singla	00403423	27/06/2014
9.	**Smt. Manisha Gupta	06910242	27/06/2014
10.	Sh. Roshan Lal Behl	06443747	05/08/2021
11.	Sh. Manikant Prasad Singh	01790672	01/02/2022
12.	Sh. Parvinder Singh Pruthi	07481899	01/02/2022

**the date of appointment is as per the MCA Portal.*

***Sh. Suresh Kumar Singla & Smt. Manisha Gupta ceased to be the Director of Company due to expiry of their term w.e.f. 26.06.2024.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For P.S. Dua & Associates
(Company Secretaries)**

**Place: - Ludhiana
Date: - 05.08.2024**

**P.S. Dua
Proprietor
Membership No: FCS 4552
Certificate of Practice No.: 3934
Peer Review Certificate No. 1296/2021
UDIN: F004552F000899919**

**Annexure C to Report on Corporate Governance for the financial year ended
March 31, 2024**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members
Monte Carlo Fashions Limited
(CIN: L51494PB2008PLC032059)

1. We have been approached by Monte Carlo Fashions Limited ("Company") to examine the compliance with the conditions of corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, for the financial year ended on 31st March, 2024.

2. Management's Responsibility

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2024.

5. Disclaimer

5.1 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5.2 The report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For P.S. Dua & Associates
(Company Secretaries)**

**Place: - Ludhiana
Date: - 05.08.2024**

**P.S. Dua
Proprietor
Membership No: FCS 4552
Certificate of Practice No.: 3934
Peer Review Certificate No. 1296/2021
UDIN: F004552F000899886**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY:

The global economy has proven to be remarkably resilient to the shocks of the last year. This resilience was mostly due to strong macroeconomic fundamentals in most of the advanced and emerging market economies. United States managed to sidestep recessionary pressures, while Europe exhibited economic resilience surpassing earlier projections. China faced formidable challenges in regaining its economic momentum.

Inflation remains above target in many countries however it continues to soften in all the major economies. Asia is more nuanced because inflation did not rise as much as in the west and it is coming down faster. As a result, interest rates have not risen as much. Global Inflation is expected to decrease faster than anticipated, reaching 5.8% in 2024 and 4.4% in 2025, led by easing supply-side issues and tighter monetary policies.¹

As per the International Monetary Fund (IMF) global economy is projected to grow at 3.1% and 3.2% for 2024 and 2025 respectively. This uptick in growth is attributed to the resilience of the United States and certain emerging markets, along with expected fiscal support in China.¹ However, this growth remains below the historical average, primarily due to elevated central bank policy rates combating inflation, reduced fiscal support and sluggish productivity growth.

The recovery in global economic growth is facing challenges due to multiple crises, including high debt levels, energy crisis and geopolitical tensions. The Red Sea crisis has disrupted global trade routes, leading to increased transit times, shipping costs, insurance premiums, etc.²

INDIAN ECONOMY:

The Indian economy has demonstrated resilience and maintained healthy macroeconomic fundamentals. Amidst an uncertain and challenging global macroeconomic environment, the Indian economy presents a picture of confidence, positivity and optimism. Recent growth outturns have surprised most forecasts on the upside. After clocking real gross domestic product (GDP) growth of 7.2 per cent in 2022-23, real GDP is expected to grow by 7.3 per cent during 2023-24 according to the latest release by the National Statistical Office (NSO).³ As far as the Indian economy is concerned, it is now poised for a long haul of higher growth. There are challenges, but they have to be dealt with effectively. With a confluence of factors in its favour, the confidence on India's prospects is at an all-time high. It also estimates that India's contribution to global growth will rise by 200 basis points in the next 5 years.

The IMF forecasts India's GDP to grow at 6.7% in 2024 and 6.5% in 2025, driven by robust domestic demand and government spending.⁴ Economic fundamentals are improving, with decreasing inflation, robust financial ecosystem, better fiscal management, and rising foreign reserves.

Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-June 2025, India's exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.⁵

GLOBAL TEXTILE & APPAREL INDUSTRY

Global Textile Market size was valued at USD 1.69 billion in 2022 and is poised to grow from USD 1.82 billion in 2023 to USD 3.27 billion by 2031, growing at a CAGR of 7.60% during the forecast period (2024-2031).⁶

Sources:

¹<https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

²<https://en.vietnamplus.vn/top-10-defining-events-of-global-economy-in-2023/275388.vnp>

³[https://rbi.org.in/scripts/BS_ViewBulletin.aspx?Id=22315#:~:text=Recent%20growth%20outturns%20have%20surprised,National%20Statistical%20Office%20\(NSO\)](https://rbi.org.in/scripts/BS_ViewBulletin.aspx?Id=22315#:~:text=Recent%20growth%20outturns%20have%20surprised,National%20Statistical%20Office%20(NSO))

⁴<https://www.cnbcvt18.com/economy/imf-raises-india-growth-world-economic-outlook-18925721.htm>

⁵<https://www.ibef.org/economy/indian-economy-overview>

Sources:

⁶[https://www.skyquestt.com/report/textile-market#:~:text=Textile%20Market%20Insights,period%20\(2024%2D2031\)](https://www.skyquestt.com/report/textile-market#:~:text=Textile%20Market%20Insights,period%20(2024%2D2031))

The fashion industry's expanding demand for garments and the rapid growth of the e-commerce sector are expected to drive market growth throughout the projected period. The textile business is based on three basic pillars: design, production, and distribution of diverse flexible materials like yarn and clothing. A broad spectrum of finished and semi-finished products including bedding, clothes, apparel, medicine, and other accessories is regularly produced using a wide range of techniques such as crafting, crocheting, weaving, and others.⁶

The apparel and textile market encompasses a diverse array of products, from clothing and accessories to industrial and technical textiles. The apparel and textile market in the Asia-Pacific region is experiencing steady growth, with a Textile market size estimated at USD 391.20 billion in 2024. Over the forecast period from 2024 to 2029, the market is projected to reach USD 443.72 billion, reflecting a compound annual growth rate (CAGR) of 2.55%.⁷

THE INDIAN TEXTILE AND FASHION APPAREL INDUSTRY

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home, and technical products. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade i.e., 2030. A major rise in cotton yarn exports owing to lower domestic raw cotton prices, coupled with a slight increase in textile demand from the US and European markets, has contributed to a model recovery in the labor-intensive textile industry of the country, which has been struggling since the pandemic.

Textiles Minister stated that the government has approved over INR 10,000 crore production-linked incentive (PLI) scheme for textiles and is now considering extending it to the garments sector. He also mentioned that the ministry is devising a roadmap to surpass China in the sector.⁸

According to official data from the Niryat Portal, exports of ready-made garments, cotton yarn, and fabrics from October 2023 to May 2024 totaled USD 17.9 billion, in comparison to USD 17.5 billion during the same period last year, marking a reversal of the falling trend. Yarn exports have seen a considerable 51 per cent growth in volume during this period.⁹

The textile industry's emerging recovery is attributed to stable domestic demand and growing e-commerce activities in Tier-2 and Tier-3 cities. Nevertheless, challenges such as global conflicts, rising production costs (particularly freight charges), inflationary pressures, and subdued consumer confidence continue to affect global demand.⁹

Industry experts caution that these early signs of recovery may not be sustainable without ample policy support. Demand is still beneath pre-COVID levels, and recent increases in cotton prices have offset the price advantage for textile manufacturers.

India has a 4.6% share of the global trade in textiles and apparel. Moreover, additionally it is the world's 3rd largest exporter of Textiles and Apparel. The market for Indian textiles and apparel is projected to grow at a 10% CAGR, reaching USD 350 billion by 2030, with exports expected to reach USD 100 billion.

A comprehensive report on "Opportunities & Challenges for Indian Textile & Apparel Sector" was submitted by a team from the Indian Texpreneurs Federation (ITF) to Union Textile Minister. According to the submission, India can take advantage of the 'China plus one' potential in garment exports and raise the present monthly run rate of US \$ 1.5 billion in apparel exports in a steady state manner by making the necessary policy and direction changes. Raising cotton production to 1000 kg/hectare has the potential to revolutionise the textile industry as a whole and increase farmer income.¹⁰

A detailed discussion was held regarding structural issues such as import charges on cotton and the inverted

Sources:

⁷<https://medium.com/@priyankapuri0018/the-textile-industry-stitched-together-with-growth-and-innovation-c062520df796>

⁸<https://economictimes.indiatimes.com/industry/cons-products/garments/-/textiles/pli-worth-rs-10000-crore-approved-for-textiles-minister-giriraj-singh/articleshow/111267394.cms?from=mdr>

⁹<https://apparelresources.com/business-news/manufacturing/textile-industry-set-revive-domestic-demand-improves/>

¹⁰<https://apparelresources.com/business-news/retail/itf-team-presents-textile-apparel-sector-growth-plans-union-textile-minister/>

¹¹<https://pricol.com/wp-content/uploads/2024/07/Annual-Report-2024.pdf>

¹²<https://www.mordorintelligence.com/industry-reports/india-home-textile-market>

duty structure on MMF, as well as new plans to increase e-Commerce fashion exports and map cotton cultivation using satellites. The Minister reaffirmed his commitment to these key issues particularly prioritizing the development of a specific working plan to increase cotton yield and to ramp up overall efforts to boost textile and apparel exports for generating more jobs.

Growth Drivers:

- 1. Demographic Advantage:** India is projected to become the youngest nation by 2025, with an average age of 25 years. This burgeoning young population entering the workforce will significantly drive consumption, including discretionary spending on consumer goods such as apparel.
- 2. Home Textile Market Expansion:** The Indian Home Textile industry, valued at USD 9.6 billion in 2024, is expected to grow to USD 15.36 billion, reflecting robust growth potential.
- 3. Digital Penetration:** India's increasing digital penetration is a key growth driver for the apparel industry, enhancing brand visibility and reaching consumers in even the most remote areas. The e-commerce channel is anticipated to grow from its current 7% contribution to 30% of total industry sales over the next decade.

Monte Carlo Fashions Limited is strategically focusing on South and West India, with plans to open 50 new stores annually. This expansion aims to deepen market presence and explore new opportunities within existing markets. Monte Carlo is also poised for growth through diversification, expanding its product range to include summer wear, blankets, quilts, towels, and athleisure wear, catering to a broader customer base.

COMPANY OVERVIEW

Monte Carlo Fashions Limited stands as a prominent name in India's apparel industry, recognized for its extensive range of woollen and cotton clothing across men's, women's, and kids' segments, as well as a presence in home textiles. Alongside its flagship brand "Monte Carlo," the company has successfully launched other labels like Rock.it, Cloak & Decker, Monte Carlo Home, Luxuria, and Tweens, catering to a broad customer base. Esteemed as India's pioneering organized lifestyle brand, Monte Carlo also holds the title of the nation's top winter wear brand and is widely regarded as a Super Brand in woollen knitted apparel nationwide.

The products are made widely accessible through a comprehensive distribution network, spanning exclusive brand outlets (EBOs), multi-brand outlets (MBOs), shop-in-shop formats, distributors, and major national retail chains. Additionally, Monte Carlo products are easily available across leading e-commerce platforms such as Amazon, Flipkart, and Myntra. The company's distribution footprint extends across 21 states and 4 union territories.

With a skilled in-house design team of over 26 professionals, Monte Carlo crafts approximately 900 SKUs monthly, offering a diverse selection of products that include T-shirts, shirts, linen shirts, denim, trousers, dresses, shorts, tunics, and sportswear, staying attuned to the fast-evolving fashion trends. Ensuring high-quality standards and fulfilling customer expectations are key priorities for the brand. To achieve this, Monte Carlo has dedicated R&D units equipped with advanced technology and staffed by expert technocrats who meticulously ensure timely production and delivery.

BUSINESS OVERVIEW

Product Categories Overview:

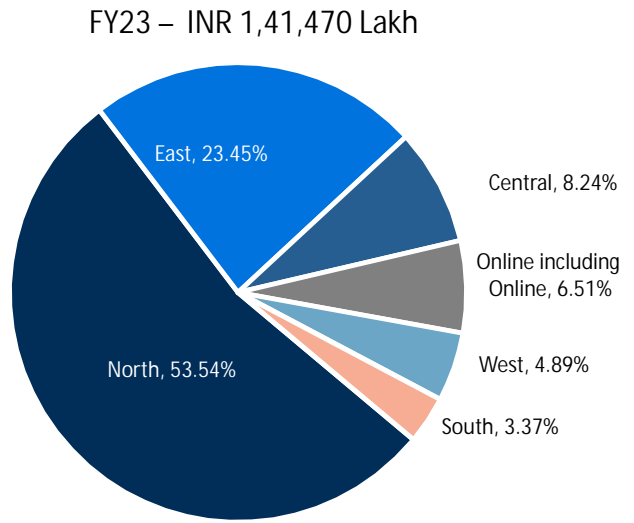
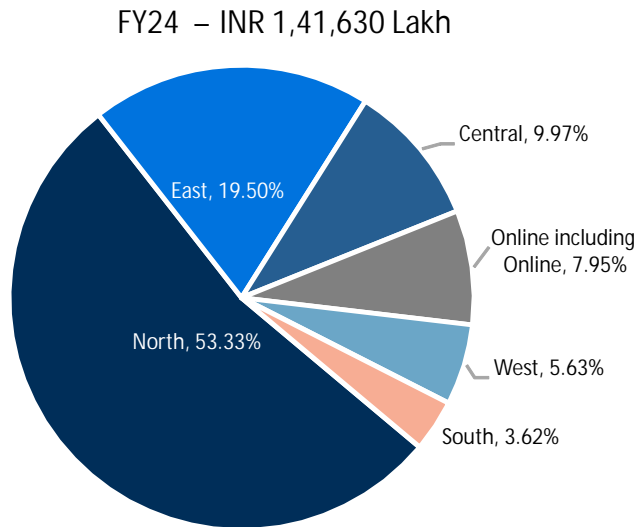
The Company offers a diverse selection of products under the "Monte Carlo" brand:

- 'Luxuria' caters to the premium menswear segment.
- 'Denim' features a dedicated line of denim apparel.
- 'Alpha' represents the exclusive collection for womenswear.
- 'Tweens' offers a specialized range for kidswear.
- 'Cloak & Decker' serves as the budget-friendly option for menswear.
- 'Rock.it' provides high-end sports and fitness wear.
- 'Monte Carlo Home' offers a comprehensive range of home textiles products.

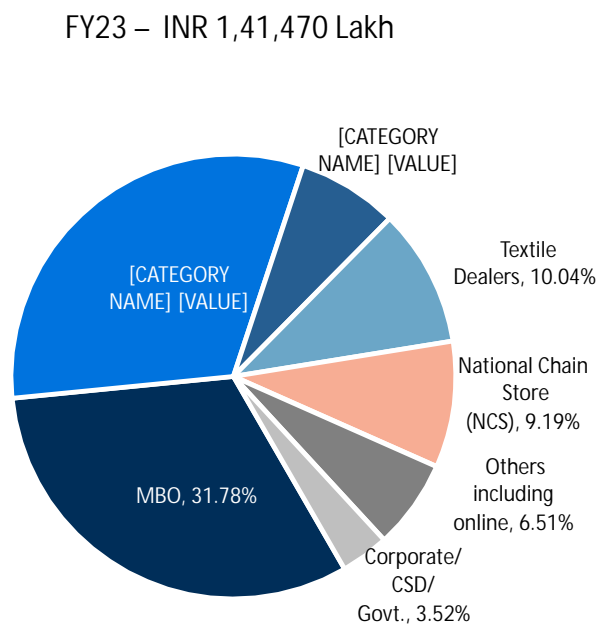
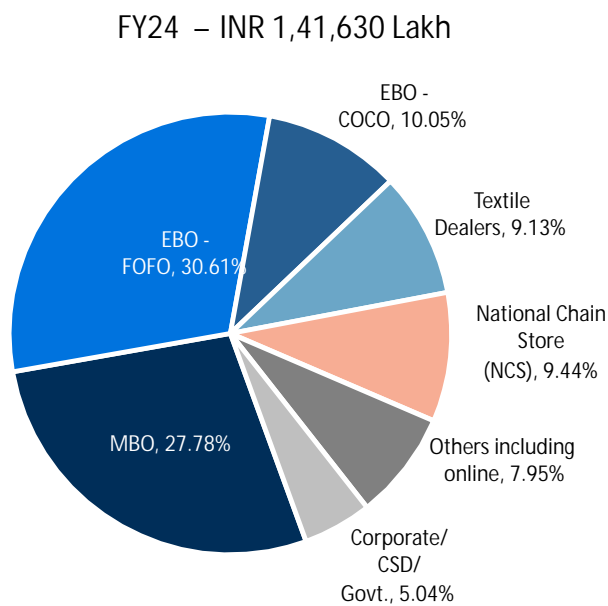
REGION & CHANNEL WISE REVENUE BREAKUP

The Company maintains a broad product range spanning categories like cotton, woollens, home furnishings, and kids' apparel. At present, cotton products account for approximately 55% of the Company's total revenue. Traditionally, the brand has held a strong market presence in the Northern and Eastern regions of India.

REGION WISE BREAKUP



REGION WISE BREAKUP



THE MONTE CARLO ADVANTAGE

- **Marketing Initiatives**

Monte Carlo has adopted a range of strategic marketing efforts to boost its brand visibility and reach. The company has formed alliances with airlines and multiplex chains like PVR Cinemas, INOX, Indigo, Vistara, AirAsia, among others. Additionally, it has partnered with the film and entertainment industry as a clothing sponsor for movies and reality shows. The brand's digital presence is extended through platforms like NDTV, Book My Show, TATA Play, and more. To engage with younger audiences, Monte Carlo consistently collaborates with bloggers and influencers on social media. The decision to handle marketing in-house has provided the company with better control, flexibility, and cost effectiveness, enabling them to execute more targeted and responsive campaigns. These initiatives highlight Monte Carlo's dedication to growing its customer base and solidifying its reputation as a top fashion and lifestyle brand.

- **Distribution Centres**

A key strength of the Company is its extensive and expanding distribution network throughout India. The Company maintains a presence in approximately 2,116 Multi-Brand Outlets (MBOs), over 411 Exclusive Brand Outlets (EBOs), and more than 1,324 outlets through the NCS and Shop-in-Shop (SIS) models. During the 2024 financial year, Monte Carlo exceeded its target by opening 55 new exclusive brand outlets, surpassing the planned 50. The Company's NCS presence includes esteemed retail partners such as Shoppers Stop, Pantaloons, Trends, Lifestyle, and Globus, among others.

- **Online Presence**

Recognizing the shift of younger consumers towards online shopping, Monte Carlo has emphasized selling through its own e-commerce platforms, including Monte Carlo and Rock.It. Additionally, the brand's products are widely available on major online marketplaces like Amazon, Flipkart, Myntra, Jabong, and Kapsons. There is also notable demand for company's products in international online markets. Monte Carlo has observed encouraging growth through its digital channels, with sales from its own website accounting for approximately 9.66% of total revenue.

- **Technology Upgradation**

To remain at the forefront of technological advancements and modernize its operations, the Company has introduced a cutting-edge automatic whole-garment manufacturing facility at its existing unit in Ludhiana. This state-of-the-art technology enables the seamless knitting of entire garments, offering superior comfort and fit compared to traditional knitwear. By integrating this technology, the Company eliminates the need for multiple manufacturing processes, leading to reduced waste and enhanced efficiency. Additionally, the Company has assembled a team of over 26 professionals dedicated to closely monitoring global fashion trends.

OPPORTUNITIES

- **Increasing brand awareness and scaling-up potential**

With the increasing frequency of purchases, particularly in the fast fashion realm, there is a growing sense of fashion and brand consciousness among consumers, rendering them more aspirational and discerning. We prioritize creating products that align with evolving trends to foster brand loyalty and connect with consumers. By expanding product offerings that resonates with the price-sensitive Indian consumer, Monte Carlo aims to capture a larger market share and establish a strong presence in the value fashion segment. This initiative aligns with the company's objective of meeting the evolving needs and preferences of customers while further expanding their brand's reach and scaling-up potential in the Indian fashion industry.

- **Diversification across various Product Categories**

Monte Carlo Fashions has effectively diversified its product portfolio to include categories such as Cottons, Woollens, Kids' apparel, and Home Furnishings. The range encompasses both woollen and cotton/cotton-blended apparel, offered at various price points to cater to the economy, mid-premium, and premium market segments.

- **Changing consumer preferences**

As consumer needs and demands evolve, today's consumers seek a comprehensive package that combines high-quality products with appealing design. Additionally, rising income levels and urbanization have enhanced purchasing power, presenting significant growth opportunities for the diverse range offered by Monte Carlo. Our product portfolio caters to a broad audience across various age groups and market segments, capitalizing on this growth potential.

- **Strong Policy Support**

Monte Carlo Fashions Limited is well-positioned to leverage the emerging opportunities as India aims to strengthen its global presence in the textile market. India is targeting an expansion of its presence in the global textile market, and the Indian government is set to propel the apparel and textile industry forward in the coming years through various initiatives such as:-

- Foreign Trade Agreements (FTAs):** To boost the country's exports, the Indian government is actively negotiating bilateral trade agreements with various nations
- Production-Linked Incentive (PLI) Scheme:** This initiative offers incentives for the production and export of certain textile products made from man-made fibers.
- Foreign direct investment (FDI):** The textile sector permits Foreign Direct Investment (FDI) of up to 100% through the automatic route.
- Scheme for Integrated Textiles Parks (SITP):** The scheme offers assistance for developing top-tier infrastructure facilities needed to establish textile units.
- Textiles Technology Development Scheme (TTDS):** The Indian government is set to launch a new initiative named TTDS, which will replace the previous Technology Upgradation Fund Scheme (TUFS). This new scheme is designed to significantly advance integrated manufacturing facilities and technology adoption within the country, with an intended allocation of INR 16,635 crore over the next five years.
- Budget Allocation:** The new budget for 2024-25 contains a sizeable increase, the Indian government has raised the budget allocation by 27.60 per cent to INR 4,392.85 crore for FY25, with a significant focus on the textile sector.

RISKS & CONCERNS

Risk Management is an ongoing process within the organisation. Your Company has a robust risk management framework to identify, monitor and minimise risks. The Board has a policy to oversee the risk mitigation performed by the executive management which includes identification, assessment, monitoring and reporting of risks.

- **Regulatory risk Legal and tax compliance**

Changes in the regulatory and tax environment can lead to increased costs, erosion of margins & cash flows and potential fines or reputational damage. However, your Company has a zero-tolerance approach towards compliance with all regulatory requirements—the Company closely monitor upcoming regulations to prepare itself well in advance and avoid business disruptions.

- **Discounts**

All the leading brands, both Indian and International, are going for early discounts/sales. People are getting used to the discounting trend both online and offline. In such a scenario, to keep the walk-ins intact, every brand has to offer a discount and no brand can survive without discounts. The company expects that going forward also the discounting sales will continue in the same fashion or may rise.

- **Seasonal nature of business**

Woollen knitted garments contribute around one-third of total sales. This leads to the highly seasonal nature of the business, with most of the yearly turnover accruing during the third quarter of the financial year.

However, the Company has been focusing on cotton and cotton-blended apparel and diversifying the product range to include home furnishings and kids' apparel. With this, the seasonal nature of business is expected to reduce over the coming years.

- **Input cost risk**

The company's profitability and cost effectiveness are vulnerable to the impact of fluctuating prices in raw materials, power, and other input costs. These external factors can significantly influence the company's production expenses, potentially leading to increased operational costs and reduced profit margins. It is crucial for the company to closely monitor and manage these cost drivers, implementing effective procurement strategies, exploring alternative suppliers, and optimizing operational processes to mitigate the potential risks and maintain a competitive position in the market.

- **Competition risk**

The entry of foreign brands in the Indian market has led to intensified competition and increased costs for our company in maintaining market visibility. Continuous product innovation is crucial in the branded apparel industry to stay ahead of fashion trends and changing consumer preferences. However, it is important to manage inventory effectively and closely monitor consumer tastes to mitigate the risk of potential unsold inventory or markdowns that could impact the value of our stocks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

A well-designed and consistently enforced system of operational and financial controls enables the Company's Board of Directors and management to safeguard resources, ensure the accuracy of financial reporting, and comply with applicable laws and regulations. Effective internal controls mitigate the risk of significant errors and irregularities and facilitate their timely detection when they occur. The internal auditors regularly assess the efficiency and adequacy of these controls, ensuring compliance with operational systems and accounting procedures. They also verify that internal control systems are adhered to by all relevant departments. Significant audit findings and corrective actions are documented and presented to the Audit Committee of the Board.

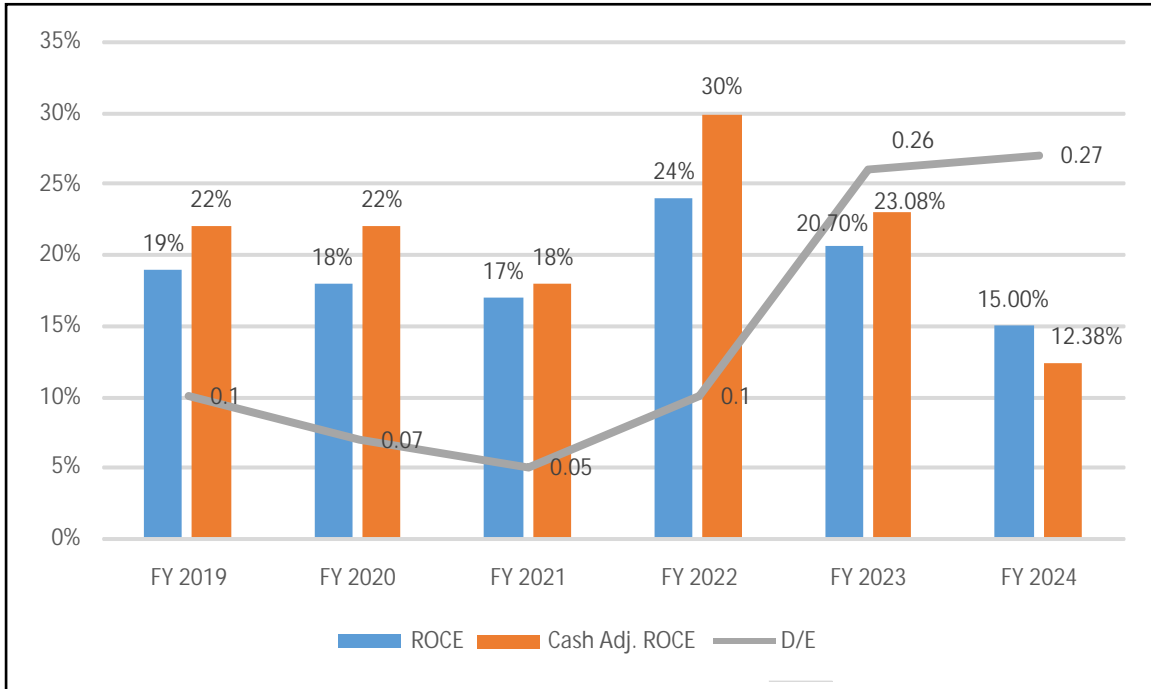
HUMAN RESOURCE & INDUSTRIAL RELATIONS

The Company has an outstanding track record of maintaining harmonious industrial relations, with not a single man-day lost to labour unrest over the years. In line with our ambitious growth objectives, we have intensified our focus on improving human resource productivity and efficiency. We firmly believe that our human resources are the key drivers of the Company's progress and success, and we are deeply committed to their ongoing development. Industrial relations remained cordial and satisfactory throughout the year.

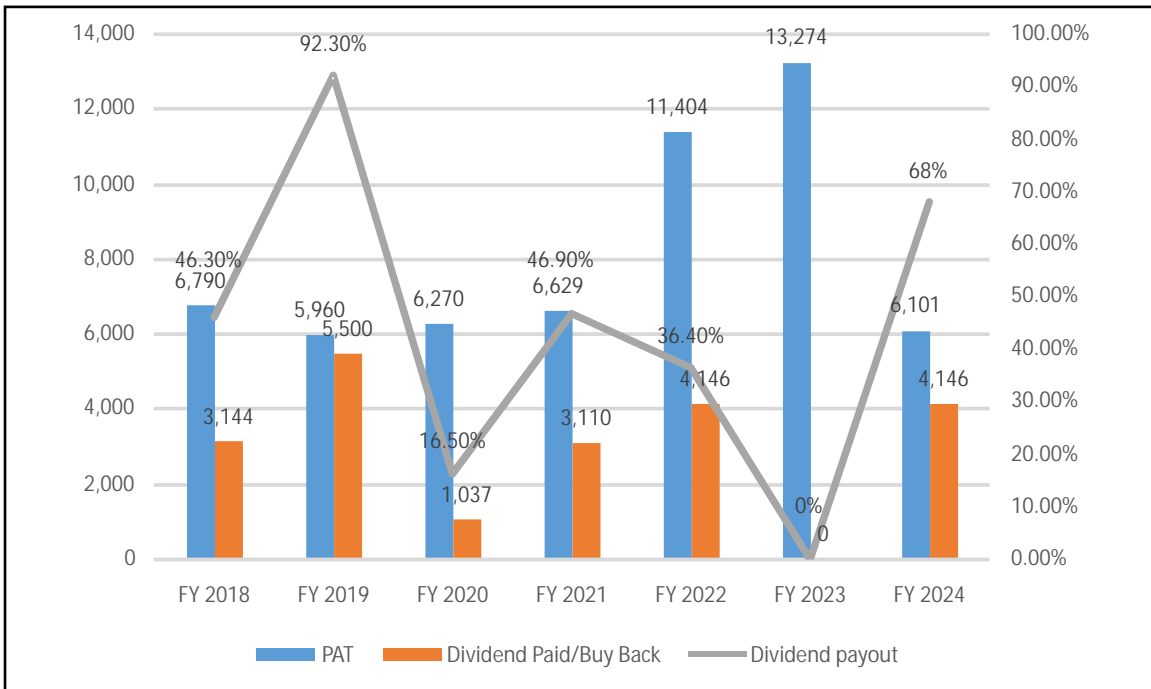
OPERATIONAL PERFORMANCE & FINANCIAL REVIEW

For the financial year ending 2024, the Company reported consolidated revenues of INR 1,06,191 Lakh, reflecting a year-on-year decline of 5%. The Gross margin stood at 42.55% in FY 2024 as against 46.96 % in FY 2023. PAT for the year stood at INR 5,994 Lakh as against INR 13,252 Lakh in FY 2023.

On the balance sheet front, the Company holds a cash balance of INR 23,353 Lakh, which includes cash, bank balances, and both current and non-current investments. Long-term borrowings are at zero, down from INR 270 Lakh in FY 2023, making the Company debt-free in the long term—highlighting our efficiency in debt servicing. The net debt-to-equity ratio stands at 0.27 for FY 2024. Return on Capital Employed (ROCE) and Cash Adjusted ROCE are 15.00% and 12.38%, respectively, for the year.



The Company has a strong track record and proven expertise in generating healthy, predictable, and sustainable returns for its stakeholders. We are deeply committed to wealth creation for all our stakeholders and aim to maintain consistency in delivering dividends. Since 2016, the Company has been dedicated to paying 100% dividends, and in 2019, we further demonstrated our commitment through a share buyback. Our focus remains on ensuring sustainable and consistent returns for our



SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:

Ratio	Unit	FY 2023-24	FY 2022-23	% Change
Debtors Turnover	Times	2.83	3.49	-18.91%
Inventory Turnover	Times	1.36	1.58	-13.92%
Interest Coverage Ratio	Times	3.81	8.9	-57.19
Current Ratio	Times	1.87	1.95	-4.10%
Debt Equity ratio	Times	0.26	0.24	8.33%
Operating Margin	%	13.46%	19.51%	-31.01%
Net Margin	%	5.74%	11.88%	-51.68%
Return on Net Worth	%	7.66%	17.09%	-55.18%

The Reason for significant change:

- i. **Interest Coverage Ratio:** Reduction in interest coverage ratio is due to increase in short term borrowings requirements.
- ii. **Operating Margin:** Higher sales returns and discounts resulted in decline in Margins.
- iii. **Net Margin & Return on Net Worth:** Higher sales returns and discount along with higher finance cost and depreciation incurred on account of new rent based EBOs opened.

FUTURE OUTLOOK

The company's future is exceptionally promising, with a dedicated focus on strengthening our brand across India. With a strong foothold in the northern and eastern regions, we are now poised to expand into various other parts of India. Despite our nationwide reach, we recognize the significant untapped potential in these regions and are committed to seizing the emerging opportunities. By offering cotton and cotton-blended products suitable for all seasons, we've successfully maintained a year-round presence in the market.

In response to diverse consumer needs, the company has launched several brands for its products, each targeting specific market segments. This approach allows for effective market capture and fosters customer satisfaction and loyalty.

To align with changing consumer behaviors, the company is significantly enhancing its online presence. It is concentrating on its website as a primary platform to engage customers and boost sales. By prioritizing online channels, the company seeks to broaden its audience and offer a smooth shopping experience.

As part of its strategic shift, the company has transitioned its entire online team in-house from an outsourced model. This change provides greater control over online operations, leading to more efficient execution and a better customer experience. Furthermore, the company is moving its focus from offline to online advertising, recognizing the critical role of digital marketing in engaging its target audience.

CAUTIONARY STATEMENT

This document contains statements about expected future events, financial and operating results of Monte Carlo Fashions, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this

For and on behalf of Board of Directors

Jawahar Lal Oswal
Chairman & Managing Director
(DIN: 00463866)

Place: Ludhiana
Date: 05.08.2024

INDEPENDENT AUDITOR'S REPORT

To The Members of Monte Carlo Fashions Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Monte Carlo Fashions Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total 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”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Provision for Expected Sales Return- Refer to Note 2.11, 2.24, 23 and 43 to the standalone financial statements.</p> <p>Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations and is measured at the amount of transaction price (net of variable consideration and provision for sale returns) allocated to that performance obligation.</p> <p>The methodology and assumptions used to estimate expected sales return involves significant judgements by the Management. Such estimates are monitored and adjusted regularly in the light of contractual and legal obligations, historical trend and past</p>	<p>Principal audit procedures performed included the following:-</p> <ul style="list-style-type: none"> Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to expected sales returns by comparing with applicable accounting standards and other accounting principles generally accepted in India. Obtained an understanding of the process followed by the Company for estimating the expected sales returns. Testing the design and implementation of controls that the Company has established for determining provision for sales returns and tested the operating effectiveness of such controls.

<p>experience. Once the uncertainty associated with the expected sales returns is resolved, revenue is adjusted accordingly.</p> <p>The Company has recognized provision for expected sales returns amounting to Rs. 11,246 Lakhs as at March 31,2024.</p> <p>Considering the above, we have considered the estimations over expected sales returns as a key audit matter.</p>	<ul style="list-style-type: none"> • Evaluated the management estimates and judgements in determining the expected sales returns by verifying the past trend and assessed whether the methodology followed is consistent with the previous year. • Evaluated the contract terms for each type of contracts with customers to assess the reasonableness of the provision for expected sales returns and determine whether the same is in line with terms of the contract. • Traced the workings provided by the Company for provision for sales returns at the balance sheet date to underlying sales records to ensure the completeness of the sales records to ensure the completeness of the sales considered for this purpose. • For selected samples, tested credit notes issued to customers and assessed the validity of claims with the underlying documents and appropriate approvals. • Assessed the appropriateness of the presentation of such provision for sales return and the disclosures made in the standalone financial statements in respect of the same.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and sustainability Report, Director's Report including Annexure to Director Report and Report on Corporate Governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management Discussion and Analysis Report, Business Responsibility and sustainability Report, Director's Report including Annexure to Director Report and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i)

planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position- Refer Note 34(A) 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- Refer Note 34(ii) to the standalone financial statements.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Note 45(k) to the standalone financial statements.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 45(h) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 45(i) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 40 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi. Based on our examination, the Company has used two accounting software for maintaining its books of account for the year ended March 31, 2024 wherein the accounting software did not have the audit trail feature enabled throughout the year/ did not have the feature of recording audit trail (edit log) facility. (refer note 47 to the financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN 24105546BKEPDH9660)

Place: Ludhiana
Date: May 28, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Monte Carlo Fashions Limited (“the Company”) as at March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us on internal financial controls with reference to standalone financial statements the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN 24105546BKEPDH9660)

Place: Ludhiana
Date: May 28, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right-of-use assets.

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

- (b) The Company has a program of verification of property, plant and equipment and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of property	As at the Balance sheet date (Rs. In Lakhs)		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Cost	Carrying value				
Land - 160 Sq yds at G. T. Road, Sherpur, Ludhiana	33	33	Bachan Singh	Not applicable	11 years	Purchased through sales agreement, however
Land - 20 Sq yds at G. T. Road, Sherpur, Ludhiana	7	7	Kehar Singh	Not applicable	10 years	mutation of title deeds in the name of the Company is pending.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

- (d) The Company has not revalued any of its property, plant and equipment (including Right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (i) (a) The inventories and stock lying with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the revised quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (ii) (a) The Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment in subsidiary company during the year. The Company has granted unsecured loans to employees during the year, which are as follows:

Particulars	Loans (Rs. Lakhs)
A. Aggregate amount granted / provided during the year	
- Employees	145
B. Balance outstanding as at balance sheet date in respect of above cases	
- Employees	61

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted provided by the Company to employees, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) According to the information and explanation given to us, the Company has not granted any loans, or provided any guarantee or security that are covered under the provisions of Section 185 of the Companies Act, 2013. In respect of loans given and investments made by the Company during the year, the Company has complied with the provisions of Section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of customs, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Sales Tax, Service Tax, duty of Excise and Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of customs, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the Amount Relates	Forum where Dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	424.96	AY 2022-23	CIT(A)	

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

- The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
 - (xviii) There has been no resignation of the statutory auditors of the Company during the year.
 - (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
 - (xx) (a) In respect of other than ongoing projects, there are no unspent CSR amount for the year that are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013, in compliance with second proviso to sub section 5 of Section 135 of the Companies Act, 2013.
 - (b) There are no ongoing projects of Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN 24105546BKEPDH9660)

Place: Ludhiana
Date: May 28, 2024

Standalone Balance Sheet as at March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	17,465	15,541
b) Right-of-use assets	4	14,697	11,813
c) Capital work-in-progress	5	8	1,937
d) Intangible assets	6	597	737
e) Financial assets			
i) Investments	7	12,029	7,250
ii) Other financial assets	8	4,073	3,667
f) Income tax assets (net)	9	1,531	237
g) Deferred tax assets (net)	33	2,542	2,226
h) Other non-current assets	10	495	110
Total non-current assets		53,437	43,518
Current assets			
a) Inventories	11	43,462	46,042
b) Financial assets			
i) Investments	7	12,073	17,012
ii) Trade receivables	12	37,008	38,018
iii) Cash and cash equivalents	13	56	60
iv) Bank balances other than cash and cash equivalents	14	672	1,298
v) Loans	15	61	60
vi) Other financial assets	8	1,330	1,280
c) Other current assets	10	3,647	2,384
Total current assets		98,309	106,154
TOTAL ASSETS		151,746	149,672
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	2,073	2,073
b) Other equity	17	77,549	75,603
Total equity		79,622	77,676

Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18	-	270
ii) Lease liabilities	4	12,852	11,118
iii) Other financial liabilities	19	3,840	3,079
b) Other non-current liabilities	20	2,883	3,076
c) Provisions	21	122	89
Total non-current liabilities		19,697	17,632
Current liabilities			
a) Financial liabilities			
i) Borrowings	18	21,699	19,929
ii) Lease liabilities	4	3,646	1,827
iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and	22	3,428	84
- total outstanding dues of creditors other than micro enterprises and small enterprises	22	10,719	19,314
iv) Other financial liabilities	19	1,490	1,817
b) Other current liabilities	20	10,488	9,333
c) Current tax liabilities (net)	9	-	1,037
d) Provisions	21	957	1,023
Total current liabilities		52,427	54,364
TOTAL EQUITY AND LIABILITIES		151,746	149,672

The accompanying note forms an integral part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
 Partner
 Membership No. 105546

Jawahar Lal Oswal
 Chairman and Managing Director
 DIN : 00463866

Sandeep Jain
 Executive Director
 DIN : 00565760

Place : Gurugram
 Date : May 28, 2024

Raj Kapoor Sharma
 Chief Financial Officer

Ankur Gauba
 Company Secretary
 Membership No. FCS10577

Place : Ludhiana
 Date : May 28, 2024

Standalone Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	23	106,191	111,771
II Other income	24	2,750	2,083
III Total income (I+II)		108,941	113,854
IV EXPENSES			
Cost of materials consumed	25	11,683	13,947
Purchases of stock-in-trade	26	47,127	61,493
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	2,199	(16,157)
Employee benefits expense	28	10,572	9,657
Finance costs	29	3,748	2,445
Depreciation and amortisation expense	30	5,122	4,177
Other expenses	31	20,316	21,049
Total expenses		100,767	96,611
V Profit before tax (III-IV)		8,174	17,243
VI Tax expense:	32		
- Current tax expense		2,510	5,163
- Deferred tax expense/(credit)		(314)	(693)
- Current tax adjustments related to earlier years		(123)	(323)
- Deferred tax adjustments related to earlier years		-	(178)
Total tax expense		2,073	3,969
VII Profit for the year (V-VI)		6,101	13,274
VIII Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
- Re-measurement gain / (loss) on defined benefit obligations		1	(229)
- Income tax relating to these items		-	58
- Net fair value loss on investment in perpetual bonds		(9)	(24)
- Income tax relating to these items		2	6
Other comprehensive income / (loss) for the year, net of tax		(6)	(189)
IX Total comprehensive income for the year		6,095	13,085
X Earnings per equity share (nominal value Rs. 10 each)	35		
Basic (Rs.)		29.43	64.03
Diluted (Rs.)		29.43	64.03

The accompanying note forms an integral part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Jawahar Lal Oswal
Chairman and Managing Director
DIN : 00463866

Sandeep Jain
Executive Director
DIN : 00565760

Place : Gurugram
Date : May 28, 2024

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024

Standalone Statement of Cash flows for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities:		
Profit before tax	8,174	17,243
Add: Adjustment for non-cash and non-operating items		
Depreciation and amortisation expense	5,122	4,177
Finance costs	3,748	2,445
Interest income	(1,563)	(1,185)
Unrealised foreign exchange gain	-	-
Loss / (Profit) Profit on sale of investments (net)	(130)	(12)
Loss / (Profit) on sale of property, plant and equipment (net)	(20)	(2)
Provision for doubtful receivables	313	500
Profit on derecognition / modification of lease contract	-	(193)
Fair valuation gain on investments through profit and loss	(875)	(556)
Amounts written off	2	21
Operating profit before working capital changes	14,771	22,438
Adjusted for movement in:		
Decrease/ (Increase) in trade receivables	826	(12,349)
Decrease/ (Increase) in inventories	2,580	(17,134)
(Decrease)/Increase in trade payables	(5,250)	5,534
(Decrease)/Increase in provisions	(33)	446
(Decrease)/Increase in other financial and non-financial assets	(1,520)	46
Increase in other financial and non-financial liabilities	1,598	5,475
Cash outflow from operating activities before taxes	12,972	4,456
Direct taxes paid (net of refunds and demands)	(4,718)	(4,968)
Net cash generated from / (used in) operating activities (A)	8,254	(512)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment and Intangible assets (including capital advances, creditors for capital goods and Capital work-in-progress)	(2,866)	(4,603)
Proceeds from sale of property, plant and equipment	95	33
Purchase of investments	(5,125)	(5,370)
Purchase of equity shares in subsidiary	(700)	(850)
Proceeds from sale of investments	5,138	949
Fixed Deposits not considered as cash and cash equivalents		
-Placed	(723)	(5,267)
-Matured	3,057	9,391
Interest received	1,388	965
Net cash generated from /(used in) investing activities (B)	264	(4,752)

C. Cash flow from financing activities:		
Repayment of long-term borrowings	(600)	(563)
Proceeds from short-term borrowings (net of repayments)	1,830	13,918
Payment of principal of lease liabilities	(1,885)	(1,527)
Payment of interest of lease liabilities	(1,315)	(945)
Dividend paid	(4,146)	(4,146)
Finance cost paid	(2,406)	(1,445)
Net cash generated (used in)/from financing activities (C)	(8,522)	5,292
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(4)	28
Cash and cash equivalents at the beginning of the year	60	32
Cash and cash equivalents at the end of the year	56	60
Cash and cash equivalents (refer note 13) include:		
Cash in hand	56	42
Cheques in hand	-	18
Balance with banks	0	-
Total cash and cash equivalents	56	60

Notes :

- i) Refer note 48, for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows.

The accompanying note forms an integral part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
 Partner
 Membership No. 105546

Jawahar Lal Oswal
 Chairman and Managing Director
 DIN : 00463866

Sandeep Jain
 Executive Director
 DIN : 00565760

Place : Gurugram
 Date : May 28, 2024

Raj Kapoor Sharma
 Chief Financial Officer

Ankur Gauba
 Company Secretary
 Membership No. FCS10577

Place : Ludhiana
 Date : May 28, 2024

Standalone Statement of changes in equity for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

A. Equity share capital	Amount
Balance as at March 31, 2022	2,073
Add: Changes during the year	-
Balance as at March 31, 2023	2,073
Add: Changes during the year	-
Balance as at March 31, 2024	2,073

B. Other equity

Particulars	Reserves and Surplus					Other comprehensive income	Total
	Capital reserve *	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Debt instruments through OCI	
Balance as at March 31, 2022	0	100	7,470	38,087	21,012	(6)	66,663
Profit for the year	-	-	-	-	13,274	-	13,274
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	(171)	-	(171)
Fair valuation of investment in perpetual bonds (net of tax)	-	-	-	-	-	(18)	(18)
Total comprehensive income for the year	-	-	-	-	13,103	(18)	13,085
Dividends	-	-	-	-	(4,145)	-	(4,145)
Balance as at March 31, 2023	0	100	7,470	38,087	29,970	(24)	75,603
Profit for the year	-	-	-	-	6,100.69	-	6,101
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	1	-	1
Fair valuation of investment in perpetual bonds (net of tax)	-	-	-	-	-	(7)	(7)
Total comprehensive income for the year	-	-	-	-	6,101	(7)	6,094
Dividend	-	-	-	-	(4,147)	-	(4,147)
Balance as at March 31, 2024	0	100	7,470	38,087	31,923	(31)	77,549

* Balance as at March 31, 2022, March 31, 2023 and March 31, 2024 is less than Rs 1 Lakh, accordingly appearing as Nil.

The accompanying note forms an integral part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Jawahar Lal Oswal
Chairman and Managing Director
DIN : 00463866

Sandeep Jain
Executive Director
DIN : 00565760

Place : Gurugram
Date : May 28, 2024

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024

Notes to standalone financial statements for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

1 General Information

Monte Carlo Fashions Limited (the "Company") is a public company limited by shares incorporated under the provisions of the Companies Act, 1956 on 1 July 2008 and is domiciled in India. The Company's registered office is at B-XXIX-106, G.T. Road, Sherpur, Ludhiana, Punjab. Its shares are listed on both BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing of designer woolen/cotton readymade apparels and trading of readymade apparels including blankets under its brand "MONTE CARLO" which has also been recognised as a "SUPERBRAND".

2 Material Accounting Policies

2.1. Statement of Compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The board of directors have considered the financial position of the Company as at March 31, 2024 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements.

The standalone financial statements of the Company are presented in Indian Rupee ('INR') and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

2.2. Basis of Preparation and Presentation

The standalone financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items.

The principal accounting policies are set out below.

2.3. Impact of the initial application of new and amended Ind ASs that are effective for current year

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023:-

- i) The Company has adopted the amendments to Ind AS 1 - Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.
- ii) The Company has adopted the amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates for the first time in the current year. The

amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted

2.4. Use of Estimates and Judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.5. Inventory

Inventories are initially recognised at the lower of cost and net realisable value (NRV).

Cost incurred in bringing each product to its present location and condition are accumulated as follows:

- **Raw materials and stores and spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost method basis.
- **Work-in-progress:** Cost is determined at raw material cost plus conversion costs depending upon the stage of completion.
- **Manufactured finished goods:** **Manufactured finished goods** are stated at the lower of cost or market value. Cost is determined using actual cost method of valuation in which cost of inventories comprises costs of purchase, costs of conversion and other attributable costs incurred in bringing them to their respective present location and condition.
- **Traded finished goods:** **Traded finished goods** are stated at the lower of cost or market value. Cost is determined using the weighted average cost basis and includes the purchase price and attributable direct costs.

Initial cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.6. Property, plant and equipment

Recognition

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

Depreciation

Depreciation on property, plant and equipment is provided on the written down value method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013 except for Plant and

machinery used in factory.

The estimated useful life of Plant and machinery used in factory have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

The following useful life of assets has been taken by the Company:

Tangible assets	Useful life
Building	30 years
Plant and machinery – factory	9-10 years
Plant and machinery - Other than factory	15 years
Furniture and fixtures	10 years
Vehicles	8 years and 10 years
Office equipment	5 years
Computer equipment	3 years and 6 years

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised 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 de-recognised.

2.7. Intangible assets

Recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

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.

Amortisation

Intangible assets are amortised on straight-line basis over the useful life as estimated by the management.

Intangible assets	Useful life
Software	5 years

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

2.8. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived

at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

2.9. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency.

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

2.10. Fair value measurement

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.

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.

All assets and liabilities for which fair value is measured or disclosed in the standalone 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 standalone financial statements on a recurring basis, 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 or each case.

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

2.11. Revenue recognition

Sale of goods:

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations. The Performance obligations as per contracts with customers are fulfilled at the time of dispatch or delivery of goods depending upon the terms agreed with customer.

The Company has concluded that revenue arrangements with its business partners/customers are on principal to principal basis.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration and provision for sales returns) allocated to that performance obligation.

Amounts disclosed as revenue are net of returns and trade discounts, rebates, incentives, etc. The Company collects goods and services tax on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, rebates and incentives, etc. The Company uses its accumulated historical experience to estimate the variable consideration using the expected value method.

Under the Company's standard contract terms, customers have a right of return goods as per Company's policy. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return; consequently, the Company recognises a right-to-returned-goods asset and a corresponding adjustment to change in inventory. The Company uses its accumulated historical experience to estimate the goods that will be returned using the expected value method because this method best predicts the amount of returns to which the Company will be entitled.

Interest income:

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

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Insurance and other claims

Revenue in respect of claims is recognised when no significant uncertainty exists with regard to the amount to be realised and the ultimate collection thereof.

2.12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.13. Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions

of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost** – a financial instrument is measured at 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 on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

- ii. **Financial assets carried at fair value through other comprehensive income (FVTOCI)** - A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling the financial asset. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss.

- iii. **Financial assets carried at fair value through Profit or Loss (FVTPL)** - Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss.

Investment in Mutual funds – All Investments in mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

Investments in equity instruments – The Company subsequently measures all equity investments (other than subsidiaries) at fair value (either through profit or loss or through other comprehensive income). Dividends from such investments are recognised in the Statement of Profit or Loss as other income when the Company's right to receive payments is established.

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured

at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

Derivative liabilities - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

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.

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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.14. Retirement and other employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provident Fund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other short term benefits

Expense in respect of other short-term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employees.

2.15. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement (if any).

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

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

2.16. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

2.17. Leases

The Company's lease asset classes primarily consist of leases for showrooms taken on rent. The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the Company's operations; and the costs and business disruption required to replace the leased asset. The Company typically exercises its option to renew (or does not exercise its option to terminate) for the leases because there will be a negative effect on the sale of its products if a replacement is not readily available and also due to the cost of the leasehold improvements.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset,
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a

term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

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

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

2.18. Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. 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 carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside 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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.19. Non-current assets or disposal group held for sale

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

2.20. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

2.21. Segment reporting

The Company's business operation comprises of single operating segment of manufacturing/trading of textile garments. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker ('CODM').

2.22. 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.

2.23. Cash dividend distribution to equity holders

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

2.24. Significant accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described as stated above, the Board of Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of uncertainty

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Right to recover returned goods and refund liabilities

The methodology and assumptions used to estimate expected sales return involves significant judgments by the Management. Such estimates are monitored and adjusted regularly in the light of contractual and legal obligations, historical trend and past experience. Once the uncertainty associated with the expected sales returns is resolved, revenue is adjusted accordingly.

Provision for discount

At each balance sheet date, management estimates the adequacy of provision for discounts to be given to its customers on the sales made by the Company on the basis of historical trend, past experience and discount policies.

Defined benefit plans

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

Useful lives of depreciable property, plant and equipment and intangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

As at March 31, 2024 management assessed that the useful lives represent the expected utility of the assets to the Company.

Recoverability of advances/receivables

At each balance sheet date, management assess recoverability of advances/receivables based on ageing and credit risk to determine the adequacy of allowances for doubtful receivables / advances.

2.25. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

Notes to standalone financial statements for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

3 Property, plant and equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Freehold land	3,875	3,875
Buildings	8,929	7,074
Plant and equipment	3,107	3,763
Office equipment	287	170
Furniture and fixtures	444	286
Leasehold Improvement	266	-
Vehicles	556	373
	17,465	15,541

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Leasehold Improvement	Vehicles	Total
Cost / Deemed Cost								
Balance at March 31, 2022	3,875	10,775	10,913	493	797	-	752	27,605
Addition	-	1,152	741	110	106	-	211	2,320
Disposal	-	-	(34)	(11)	(26)	-	(37)	(108)
Balance as at March 31, 2023	3,875	11,927	11,620	592	877	-	926	29,817
Addition	-	2,647	321	224	255	284	426	4,157
Disposal	-	(12)	(483)	(16)	(13)	-	(189)	(713)
Balance as at March 31, 2024	3,875	14,562	11,458	800	1,119	284	1,163	33,261
Accumulated depreciation								
Balance at March 31, 2022	-	4,205	6,734	361	533	-	467	12,300
Depreciation expense	-	648	1,144	70	76	-	114	2,052
Disposal	-	-	(21)	(9)	(18)	-	(28)	(76)
Balance as at March 31, 2023	-	4,853	7,857	422	591	-	553	14,276
Depreciation expense	-	788	950	106	96	18	200	2,158
Disposal	-	(8)	(456)	(15)	(13)	-	(145)	(638)
Balance as at March 31, 2024	-	5,633	8,351	513	674	18	608	15,796
Carrying amount								
Balance at March 31, 2022	3,875	6,570	4,179	132	264	-	285	15,305
Addition	-	1,152	741	110	106	-	211	2,320
Disposal	-	-	(13)	(2)	(8)	-	(9)	(32)
Depreciation expense	-	(648)	(1,144)	(70)	(76)	-	(114)	(2,052)
Balance as at March 31, 2023	3,875	7,074	3,763	170	286	-	373	15,541
Addition	-	2,647	321	224	255	284	426	4,157
Disposal	-	(4)	(27)	(1)	(1)	-	(43)	(75)
Depreciation expense	-	(788)	(950)	(106)	(96)	(18)	(200)	(2,158)
Balance as at March 31, 2024	3,875	8,929	3,107	287	444	266	556	17,465

Notes:

- i) Refer note 34 for disclosure of capital commitments for the acquisition of property, plant and equipment.
- ii) Refer note 36 for disclosure of assets held as security.
- iii) Details of immovable properties whose title deeds are not held in the name of the Company as at the balance sheet date

Description of Item of Property	Carrying Value	Period held since	Reason for not being held in the name of the Company
Land - 160 Sq yds at G. T. Road, Sherpur, Ludhiana	33	11 years	Purchased through sales agreement, however mutation of title deeds in the name of the Company is pending.
Land - 20 Sq yds at G. T. Road, Sherpur, Ludhiana	7	10 years	

Except for above, the title deeds of all immovable properties are held in the name of the Company.

4 Right-of-use assets and lease liabilities

The Company has entered into various lease agreements for acquiring space for Exclusive Brand Stores. Such lease contracts include monthly fixed payments for rentals. The lease contracts are generally cancellable at the option of lessee during the lease tenure after the completion of non-cancellable period. There are no significant restrictions imposed under the lease contracts.

The following table presents the reconciliation of changes in the carrying value of Right-of-use assets (ROU) assets for the year ended March 31, 2024 and March 31, 2023:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	11,813	7,842
Addition for new leases	5,866	6,507
Modifications	-	129
Deletions for terminated leases	(177)	(576)
Depreciation expense (recognised in Statement of Profit and Loss)	(2,805)	(2,089)
Balance as at the year end	14,697	11,813

Right-of-use asset assets are amortised from the commencement date on a straightline basis over the lease term. The aggregate depreciation expense on Right-of-use asset assets is included under depreciation and amortisation expense in the Statement of Profit and Loss

The following is the break-up of current and non-current lease liabilities:-

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortised cost		
Non-current lease liabilities	12,852	11,118
Current lease liabilities	3,646	1,827
	16,498	12,945

The following is the movement in lease liabilities :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	12,945	8,728
Addition for new leases	5,714	6,391
Lease modifications	-	70
Impact of lease derecognised	(196)	(717)
Interest expense on lease liabilities (recognised in Statement of Profit and Loss)	1,315	945
Payment of lease liabilities (Cash outflow for leases)	(3,280)	(2,472)
Balance as at the year end	16,498	12,945

Rent expense recorded towards short term and variable lease payments amounts to Rs. 359 lakhs (Previous year: Rs. 327 Lakhs)

The maturity analysis of lease liabilities is disclosed in Note 39.

5 Capital work-in-progress
(a) Capital work-in-progress ageing schedule

Projects in progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2024	8	-	-	-	8
As at March 31, 2023	1,937	-	-	-	1,937

(b) There are no overdue or cost overrun projects compared to its original plan and no projects which are temporarily suspended as at March 31, 2024 and March 31, 2023.

Notes:

i) Refer note 36 for disclosure of assets held as security.

6 Intangible assets

Particulars	Software	Total
Cost / Deemed Cost		
Balance as at March 31, 2022	261	261
Addition	737	737
Disposal	-	-
Balance as at March 31, 2023	998	998
Addition	19	19
Disposal	-	-
Balance as at March 31, 2024	1,017	1,017
Accumulated depreciation		
Balance as at March 31, 2022	225	225
Depreciation expense	36	36
Disposal	-	-
Balance as at March 31, 2023	261	261
Depreciation expense	159	159
Disposal	-	-
Balance as at March 31, 2024	420	420
Carrying amount		
Balance as at March 31, 2022	36	36
Addition	737	737
Disposal	-	-
Depreciation expense	(36)	(36)
Balance as at March 31, 2023	737	737
Addition	19	19
Disposal	-	-
Depreciation expense	(159)	(159)
Balance as at March 31, 2024	597	597

7 Non-current investments

Particulars	Units as at March 31, 2024	Units as at March 31, 2023	As at March 31, 2024		As at March 31, 2023	
			Non Current	Current	Non Current	Current
Category-wise investments						
Investment in equity instruments			1,570	-	870	-
Investment in debentures/bonds			10,059	1,002	6,380	1,658
Investment in mutual funds			-	11,071	-	13,629
Investment in Fixed deposits with Non Banking Financial Companies			-	-	-	1,725
Investment in Alternative Investment funds			400	-		
			12,029	12,073	7,250	17,012
7.1 Investment in equity instruments carried at cost						
Investment in Subsidiary - Unquoted						
Monte Carlo Home Textiles Limited	15,700,000	8,700,000	1,570	-	870	-
			1,570	-	870	-

	Units as at March 31, 2024	Units as at March 31, 2023	As at March 31, 2024		As at March 31, 2023	
			Non Current	Current	Non Current	Current
7.2 Investments in debentures/bonds						
Investments carried at fair value through other comprehensive income (FVTOCI)- Quoted						
Bonds						
Bank of Baroda ASR XVI 8.15 BD Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	102	-
Canara Bank SR III 8.50 BD Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	100	-
Indian Bank SR IV 8.44 LOA Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	99	-
National Highways Authority of India SRI 7.26 BD 10 AG38 having Face Value of Rs. 10 Lakhs each	30	30	314	-	301	-
Punjab National Bank SR XIV 8.50 LOA Perpetual having Face Value of Rs. 1 crore each	2	2	200	-	200	-
State Bank of India SRI 7.72 BD Perpetual having Face Value of Rs. 1 crore each	6	6	620	-	599	-
State Bank of India SR II 7.73 BD Perpetual having Face Value of Rs. 10 Lakhs each	30	30	314	-	282	-
Debentures						
Tata International Limited 9.10 LOA having Face Value of Rs. 10 Lakhs each	100	100	1,000	-	1,000	-
Tata Motors Finance Limited SR B 10 NCD 29MR29 having Face Value of Rs. 10 Lakhs each	40	40	400	-	442	-
			3,148	-	3,125	-
Investments carried at amortised cost- Quoted						
Bonds						
Government of India 11007 GOI 05DC30 8.97 having Face Value of Rs. 100 each	229,000	229,000	250	-	250	-
National Bank for agriculture and rural development SR-IIA 7.35 BD 23MR31 having Face Value of Rs. 1,000 each	20,000	20,000	223	-	223	-
Punjab National Bank SR XV, 8.75% LOA Perpetual having Face Value of Rs. 1 crore each	2	2	200	-	200	-

U.P. Power Corporation Limited SR I STRPP D 9.70 BD 31MR28 having Face Value of Rs. 10 Lakhs each	20	20	200	-	200	-
GOI Loan 2036, 7.54%	1,000,000	-	1,017	-	-	-
Debentures						
Piramal Enterprises Limited BR NCD 28JU23 having Face Value of Rs. 10 Lakhs each	-	20	-	-	-	201
Piramal Enterprises Limited SR 01 BR NCD 27MR24 having Face Value of Rs. 10 Lakhs each	-	50	-	-	-	547
Incred Financial Services Limited SR 7 BR NCD 28JL23 having Face Value of Rs. 10 Lakhs each	-	50	-	-	-	601
Shriram Finance Limited SR XXIII TR 1 BR NCD 17MY23 having Face Value of Rs. 10 Lakhs each	-	30	-	-	-	309
Adani Enterprises Limited SR B BR NCD 25AP24 having Face Value of Rs. 10 Lakhs each	30	30	-	299	299	-
A.K. Capital Finance Limited SR 1 BR NCD 26MY24 having Face Value of Rs. 10 Lakhs each	20	20	-	200	200	-
TMF Holdings Limited SR B 7.3029 NCD Perpetual having Face Value of Rs. 10 Lakhs each	50	50	478	-	478	-
Tata Capital Financial Services Limited SR A FY22-23 OPT II 7.65 NCD 29AP32 having Face Value of Rs. 10 Lakhs each	30	30	301	-	301	-
LIC Housing Finance Limited TR 421 7.90 NCD 23JU27 having Face Value of Rs. 10 Lakhs each	50	50	501	-	501	-
Motilal Oswal Finvest Limited SR I1 BR LOA 20DC24 having Face Value of Rs. 10 Lakhs each	30	30	-	301	301	-
Incred Financial Services Limited SR II 9.80 NCD 02MY25 having Face Value of Rs. 1,000 each	10,000	10,000	100	-	100	-
A.K. Capital Finance Limited MLD 2 BR NCD 27JU24 having Face Value of Rs. 10 Lakhs each	20	20	-	202	202	-
Agilemed Investments Private Limited Secured Unrated Unlisted redeemable NCD SeriesA having Face Value of Rs.10 Lakh each	100	-	978	-	-	-
Hella Infra Market Pvt Ltd#10.57% SEC GRT SNR Tax NCUM RTD RED PRN PRT NCD SR 2 PP having face value of Rs. 10,000 each	7,000	-	663	-	-	-
10% Adani Airport Holdings Ltd. Redeemable NCD Series II having face value of 1 lakh each	5,000	-	500	-	-	-
Series A, Senior Secured, NCD unrated and unlisted (Bemco Pvt. Ltd.) having face value of Rs. 10 lakh each	50	-	500	-	-	-
Series A, Senior Secured, NCD unrated and unlisted (Betul Wind Farms Pvt. Ltd.) having face value of Rs. 10 lakh each	100	-	1,000	-	-	-
			6,911	1,002	3,255	1,658
			10,059	1,002	6,380	1,658
7.3 Investment in mutual funds						
Investments carried at fair value through profit or loss (FVTPL)- Quoted						
ICICI Prudential corporate bond fund - Direct Plan - Growth having face value of Rs. 10 each	5,282,959	6,999,103	-	1,485	-	1,823
ICICI Prudential banking and PSU debt fund - Direct Plan - Growth having face value of Rs. 10 each	846,178	846,178	-	260	-	241
Bandhan Regular Saving Fund -Growth-(Direct Plan) [erstwhile IDFC Regular Saving Fund -Growth-Direct Plan] having face value of Rs. 10 each	3,608,935	3,608,935	-	1,158	-	1,028
Bandhan Banking & PSU Debt Fund -Direct Plan - Growth [erstwhile IDFC Banking & PSU Debt Fund - Direct Plan-Growth] having face value of Rs. 10 each	5,360,422	6,905,621	-	1,228	-	1,475
Bandhan Corporate Bond Fund Direct Plan -Growth [erstwhile IDFC Corporate Bond Fund - Direct plan - Growth] having face value of Rs. 10 each	3,305,532	8,265,265	-	589	-	1,372

Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan -Growth [erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Plan -Growth] having face value of Rs. 10 each	1,999,900	1,999,900	-	235	-	218
Bandhan Bond Fund -Medium Term Plan -Growth-Direct Plan [Idfc Bond Fund -Medium Term Plan -Growth-Direct Plan] having face value of Rs. 10 each	1,032,215	1,032,215	-	463	-	430
Bandhan Bond Fund -Short Term Plan -Growth-Direct Plan [erstwhile IDFC Bond Fund -Short term Plan] having face value of Rs. 10 each	1,076,466	2,150,117	-	591	-	1,097
HDFC corporate bond fund - direct plan - growth option having face value of Rs. 10 each	7,494,036	7,494,036	-	2,239	-	2,070
ICICI prudential bond fund - Direct plan - Growth having face value of Rs. 10 each	835,094	835,094	-	319	-	293
AXIS Banking & PSU Debt Fund -Direct Growth having face value of Rs. 1,000 each	-	36,034	-	-	-	825
AXIS Short Term Fund -Direct Plan -Growth having face value of Rs. 10 each	1,189,680	1,189,680	-	360	-	333
Kotak Corporate Bond Fund Direct Growth having face value of Rs. 1,000 each	27,038	27,038	-	956	-	886
SBI Dynamic Bond Fund- Direct plan- Growth option having face value of Rs. 10 each	349,170	349,170	-	123	-	112
SBI Corporate Bond Fund - Direct Plan -Growth having face value of Rs. 10 each	7,419,569	10,697,771	-	1,065	-	1,426
			-	11,071	-	13,629

7.4 Investment in Fixed deposits with Non Banking Financial Companies- at amortised cost

Housing Development Financial Corporation Limited			-	-	-	1,725
			-	-	-	
			-	-	-	1,725

7.5 Investment in Alternative Investment Fund through profit or loss (FVTPL) Unquoted

A K Securitization & Credit Opportunities Fund II	780	-	390	-	-	-
UTI Structured Debt Opportunities Fund III - Class F1	9,746	-	10	-	-	-
			400	-	-	-
Total Investments			12,029	12,073	7,250	17,012
Aggregate book value of quoted investments			10,059	12,073	6,380	15,287
Aggregate market value of quoted investments			10,059	12,073	6,380	15,287
Aggregate carrying value of unquoted investments			1,970	-	870	1,725

Notes:

i) Refer note 36 for disclosure of assets held as security.

8 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets carried at amortised cost (Unsecured and considered good, unless otherwise stated)		
Non-Current		
Fixed deposits with banks more than 12 months maturity *	2,686	2,668
Security deposits	1,387	999
	4,073	3,667

Current		
Interest accrued but not due on fixed deposits, bonds and debentures	633	458
Others recoverable **	697	822
	1,330	1,280

* Includes Rs. 31 lakhs (March 31, 2023: Rs. 19 Lakhs) pledged against the utilisation of non fund based limits.

** Includes recoverable from commission agents and interest receivables from customers.

Notes:

i) Refer note 36 for disclosure of assets held as security.

9 Income tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax assets (net)		
Income tax receivable (net)	1,531	237
Current tax liabilities (net)		
Income tax payable (net)	-	1,037

10 Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)		
Non-Current		
Capital advances	493	103
Prepaid expenses	2	7
	495	110
Current		
Advances to suppliers	1,264	852
Prepaid expenses	203	40
Balances with statutory and government authorities		
- Considered good	2,054	1,448
- Considered Doubtful	9	346
Less: Allowances for doubtful balances with statutory and government authorities	(9)	(346)
Others recoverable	126	44
	3,647	2,384

Note:

i) Refer note 36 for disclosure of assets held as security.

11 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw materials	3,873	4,065
Work-in-progress	766	873
Finished goods	13,935	10,455
Stock-in-trade	17,582	22,661
Stores and spares	1,121	1,309
Right to recover returned goods	6,185	6,679
	43,462	46,042

Note:

i) Refer note 36 for disclosure of assets held as security.

ii) The cost of inventories recognised as an expense during the year in respect of continuing operations was Rs. 81,090 Lakhs (previous year Rs. 79,714 Lakhs).

iii) The cost of inventories recognised as an expense includes Rs. 111 Lakhs (previous year Rs. 103 Lakhs) in respect of write-downs of inventory to net realisable value.

12 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from related parties (Refer Note 42)		
- Unsecured, considered good	-	72
Receivable from others		
- Unsecured considered good	37,008	37,946
- Significant increase in Credit risk	581	398
Less:- Allowances for doubtful trade receivables	(581)	(398)
	37,008	38,018

Notes:

i) Trade Receivables ageing schedule

Particulars	Undisputed Trade receivables			Allowances for doubtful trade receivables	Net Balance at year end
	Considered good	Significant increase in credit risk	Total		
Ageing of Receivables from due date of payment as at March 31, 2024					
Not Due	13,660	-	13,660	-	13,660
Less than 6 months	22,395	-	22,395	-	22,395
6 months to 1 year	809	-	809	-	809
1 to 2 years	144	265	409	265	144
2 to 3 years	-	134	134	134	-
More than 3 years	-	182	182	182	-
	37,008	581	37,589	581	37,008
Ageing of Receivables from due date of payment as at March 31, 2023					
Not Due	14,179	-	14,179	-	14,179
Less than 6 months	21,616	-	21,616	-	21,616
6 months to 1 year	1,773	-	1,773	-	1,773
1 to 2 years	350	14	364	14	350
2 to 3 years	95	25	120	25	95
More than 3 years	5	359	364	359	5
	38,018	398	38,416	398	38,018

- ii) The Company has used a practical expedient for the purpose of computing lifetime expected credit loss allowance ("ECL") for trade receivables which is based on historical credit loss experience and adjustments for forward looking information. The Company follows "simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its recognition.

The movement in allowance for lifetime expected credit loss on customer balances is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	398	75
Add: Allowance provided during the year	313	323
Less: Amount written off during the year	130	-
Balance at the end of the year	581	398

iii) Refer note 36 for disclosure of assets held as security.

13 Cash and cash equivalents

Particulars	As at	
	March 31, 2024	March 31, 2023
Cash in hand	56	42
Cheques on hand	-	18
Balance with banks in current account	0	-
	56	60

14 Bank balances other than cash and cash equivalents

Particulars	As at	
	March 31, 2024	March 31, 2023
Unclaimed dividend accounts (earmarked)	22	21
Deposits with banks with original maturity of more than three months but less than twelve months from the date of Balance Sheet (Refer note i below)	650	1,277
	672	1,298

Notes:

i) Includes Rs. Nil (March 31, 2023: Rs. 97 lakhs) pledged against the utilisation of non fund based limits.

15 Loans

Particulars	As at	
	March 31, 2024	March 31, 2023
Financial assets carried at amortised cost (Unsecured and considered good, unless otherwise stated)		
Current		
Loan to employees	61	60
	61	60

Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity shares of Rs. 10 each with voting rights	25,000,000	2,500	25,000,000	2,500
	25,000,000	2,500	25,000,000	2,500
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	20,732,064	2,073	20,732,064	2,073
	20,732,064	2,073	20,732,064	2,073

Notes:

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

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	20,732,064	2,073	20,732,064	2,073
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	20,732,064	2,073	20,732,064	2,073

ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

iii) Details of shares held by the holding Company

There is no Holding / Ultimate Holding Company of the Company.

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

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Girnar Investments Limited	6,644,656	32.05%	6,644,656	32.05%
Nagdevi Trading and Investment Company Limited	5,007,192	24.15%	5,007,192	24.15%
Nahar Capital and Financial Services Limited	1,651,215	7.96%	1,651,215	7.96%
	13,303,063	64.17%	13,303,063	64.17%

v) Details of Shares held by promoters at the end of the year:

	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Girnar Investment Ltd	6,644,656	32.05%	6,644,656	32.05%	0.00%
Nagdevi Trading and Investment Company Limited	5,007,192	24.15%	5,007,192	24.15%	0.00%
Nahar Capital and Financial Services Limited	1,651,215	7.96%	1,651,215	7.96%	0.00%
Monica Oswal	515,837	2.49%	515,837	2.49%	0.00%
Ruchika Oswal	515,838	2.49%	515,838	2.49%	0.00%
Vanaik Investors Ltd.	409,273	1.97%	409,273	1.97%	0.00%
Jawahar Lal Oswal	105,059	0.51%	115,059	0.55%	-0.05%
Abhilash Oswal	102,583	0.49%	102,583	0.49%	0.00%
Oswal Woolen Mills Ltd.	75,642	0.36%	75,642	0.36%	0.00%
Atam Vallabh Financiers Ltd.	67,106	0.32%	67,106	0.32%	0.00%
Vardhman Investments Ltd.	49,718	0.24%	49,718	0.24%	0.00%
Abhinav Oswal	10,500	0.05%	500	0.00%	0.05%
Rishabh Oswal	10,500	0.05%	10,500	0.05%	0.00%
Kamal Oswal	1,000	0.00%	1,000	0.00%	0.00%
Dinesh Oswal	1,000	0.00%	1,000	0.00%	0.00%
Sambhav Oswal	500	0.00%	500	0.00%	0.00%
Tanvi Oswal	500	0.00%	500	0.00%	0.00%
Manisha Oswal	500	0.00%	500	0.00%	0.00%
Ritu Oswal	500	0.00%	500	0.00%	0.00%
Sanjana Oswal	500	0.00%	500	0.00%	0.00%

- vi) The Company has not issued any share pursuant to a contract without payment being received in cash in the current year and preceding five years. The Company has not issued any bonus shares in the current year and preceding five years.

Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserve and surplus		
Capital reserve *	0	0
Capital redemption reserve	100	100
Securities premium	7,470	7,470
General reserve	38,087	38,087
Retained earnings	31,923	29,970
Other comprehensive income		
Debt instruments through OCI	(31)	(24)
	77,549	75,603

* Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

Notes:

i) Capital reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year *	0	0
Add/Less: Movement during the year	-	-
Balance at the end of the year	0	0

* Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

The reserve comprises profits/gains of capital nature earned by the Company and credited directly to such reserve. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

ii) Capital redemption reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	100	100
Add/Less: Movement during the year	-	-
Balance at the end of the year	100	100

Capital redemption reserve is a reserve created on buy-back of equity shares in accordance with section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

iii) Securities premium

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	7,470	7,470
Add/Less: Movement during the year	-	-
Balance at the end of the year	7,470	7,470

Securities premium comprises the premium on issue of shares and is utilised in accordance with the specific provision of the Companies Act, 2013.

iv) General reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	38,087	38,087
Add/Less: Movement during the year	-	-
Balance at the end of the year	38,087	38,087

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

v) Retained earnings

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	29,970	21,012
Add: Profit for the year	6,101	13,274
Add: Remeasurement of defined benefit obligations (net of tax)	1	(171)
Less: Payment of dividend on equity shares (Refer note 40)	(4,147)	(4,145)
Balance at the end of the year	31,924	29,970

Retained earnings refer to net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.

vi) Other comprehensive income - Debt instruments through OCI

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	(24)	(6)
Add: Fair valuation of investment in perpetual bonds (net of tax)	(7)	(18)
Balance at the end of the year	(31)	(24)

This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments, if any.

18 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Term loans from bank (Secured - at amortised cost)*	270	600
Less: Current maturities	(270)	(330)
	-	270
Current		
Cash credits/working capital loans from banks (Secured - at amortised cost) #	14,987	12,893
Current maturities of term loan from banks (Secured - at amortised cost)*	270	330
Other Borrowings (Bill Discounting) (Unsecured)	6,442	6,706
	21,699	19,929

*Term loan from bank are secured by primary charge on machinery being procured, with Second pari-passu charge on property situated at Sherpur Kalan, GT Road, Ludhiana measuring 14,278 sq. yards. The loan carries interest rate of 3.75% above repo rate. The loan is repayable in 3 quarterly instalments of Rs. 83 lakhs each with last instalment of Rs. 21 lakhs payable on March 12, 2025.

Refer note 36 for disclosure of assets held as security.

19 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortised cost		
Non-Current		
Security deposits from customers	3,840	3,079
	3,840	3,079
Current		
Interest accrued but not due on borrowings	52	27
Interest payable to others	119	117
Payables for purchase of property, plant and equipment and intangible assets	172	402
Security deposits from customers	-	5
Unpaid dividend *	21	21
Employee related payables**	1,126	1,245
	1,490	1,817

* Unpaid dividend do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund.

** Includes Rs. 67 Lakhs (previous year Rs. 471 Lakhs) payable to related parties (Refer Note 42).

20 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Deferred income from government grant	392	438
Refund liability for expected sales return	2,491	2,638
	2,883	3,076
Current		
Statutory remittances*	450	471
Deferred income from government grant	46	46
Refund liability for expected sales return	8,755	7,596
Advance from customers (Contract Liabilities)	1,100	1,029
Gratuity liability (funded) (refer note 37)	137	191
	10,488	9,333

* Statutory remittances includes contribution to provident fund and employee state insurance corporation, tax deducted/collected at source etc.

21 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Provision for employee benefits :		
- Leave	122	89
	122	89
Current		
Provision for employee benefits :		
- Leave	13	9
Other provision :		
Provision for discount	944	1,014
	957	1,023

Movement in other provisions	Provision for discount
Balance as at March 31, 2022	666
Add: Provision recognised during the year	1,014
Less: Utilised / Reversed during the year	(666)
Balance as at March 31, 2023	1,014
Add: Provision recognised during the year	944
Less: Utilised / Reversed during the year	(1,014)
Balance as at March 31, 2024	944

22 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	3,428	84
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related Parties	2,520	3,673
- Others	8,199	15,641
	10,719	19,314
	14,147	19,398

Notes:

i) Ageing of trade payables

	As at March 31, 2024		As at March 31, 2023	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Not Due	2,927	6,248	65	11,208
Less than 1 year	417	2,098	19	5,632
1 to 2 years	84	9	-	149
2 to 3 years	-	12	-	11
More than 3 years	-	1	-	34
Others - Accruals	-	2,351	-	2,280
	3,428	10,719	84	19,314

ii) Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
- Principal	3,104	84
- Interest due thereon #	-	0
b) Payments made to suppliers beyond the appointed day during the year		
- Principal	14,273	287
- Interest due thereon	240	5
c) Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	-	-
d) Amount of interest accrued and remaining unpaid as at year end	324	84

Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

23 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (refer note 43)	106,056	111,597
Other operating revenue		
Insurance recovered from customers	87	129
Government grants	48	45
	106,191	111,771

24 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income		
from banks	340	253
others	1,223	932
Other non-operating income (net of expenses directly attributable to such income).		
Foreign exchange fluctuation gain (net)	-	39
Profit on derecognition of lease contract	-	193
Profit on sale of property, plant and equipment (net)	20	2
Profit on sale of investments measured at FVTPL	130	12
Fair valuation gain of investments measured at FVTPL	876	556
Others	161	96
	2,750	2,083

25 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock of raw materials	4,065	3,453
Add: Purchases of raw materials during the year	11,491	14,559
	15,556	18,012
Less: Closing stock of raw materials	(3,873)	(4,065)
	11,683	13,947

26 Purchases of stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases of stock-in-trade	47,127	61,493
	47,127	61,493

27 Changes in inventories of finished goods, work-in-process and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Work-in-process	873	1,026
Finished goods	10,455	13,265
Stock-in-trade	22,661	6,550
Right to recover returned goods	6,679	3,670
	40,668	24,511

Inventories at the end of the year		
Work-in-process	766	873
Finished goods	13,935	10,455
Stock-in-trade	17,582	22,661
Right to recover returned goods	6,185	6,679
	38,468	40,668
	2,199	(16,157)

28 Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus	9,404	8,660
Contribution to provident fund and other funds (refer note 37)	692	580
Staff welfare expenses	476	417
	10,572	9,657

29 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Costs:		
Borrowings	1,653	1,254
Lease liabilities	1,315	945
Others	780	246
	3,748	2,445

30 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	2,158	2,052
Amortisation of intangible assets	159	36
Depreciation of Right-of-use assets	2,805	2,089
	5,122	4,177

31 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spares parts	3,986	4,336
Processing charges	1,852	1,985
Commission on sale	3,866	3,338
Freight and forwarding expenses	2,153	1,960
Advertisement and Business Promotion expenses	3,458	4,657
Power and fuel	687	653
Rent	359	327
Repairs to		
Buildings	106	88
Plant and machinery	179	127
Others	831	849
Insurance	176	195
Legal and professional expenses [refer note (i) below]	284	195
Rates and taxes	49	35
Travelling and conveyance	690	645
Provision for doubtful receivables	313	500
Amounts written off	2	21
Communication expenses	38	48
Corporate social responsibility expenses (refer note 38)	269	219

Loss on sale of property, plant and equipment (net)	-	-
Charity and Donation	-	100
Bank charges	184	189
Interest Paid on Income Tax	64	-
Miscellaneous expenses	770	582
	20,316	21,049

Notes:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Legal and professional expenses includes payment to auditors		
As auditor:		
Audit fee	23	20
Limited reviews *	14	13
Tax audit fee	2	2
Reimbursement of expenses #	9	3
	48	38

* Includes Rs. 4 lakhs paid to predecessor auditors in previous year

Includes Rs. 1 lakh paid to predecessor auditors in previous year

32 Income taxes

32.1 Income tax recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	2,510	5,163
In respect of prior years	(123)	(323)
	2,387	4,840
Deferred tax		
In respect of the current year	(314)	(693)
In respect of prior years	-	(178)
	(314)	(871)
Total income tax expense recognised in the current year	2,073	3,969

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	8,174	17,243
Tax at the Indian Tax Rate of 25.17% (previous year 25.17%)	2,057	4,340
Non-deductible differences	130	92
Other adjustments	9	38
	2,196	4,470
Adjustments related to the current tax and deferred tax of prior years	(123)	(501)
Income tax expense recognised in the statement of profit and loss	2,073	3,969

The tax rate used for the current year reconciliation above is the corporate tax rate of 25.17% (previous year 25.17%) payable by corporate entities in India on taxable profits as the Income Tax Act, 1961.

32.2 Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax assets/(liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Re-measurement gain / (loss) on defined benefit obligations	-	58
Net fair value loss on investment in perpetual bonds	2	6
Total income tax recognised in other comprehensive income	2	64
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	2	64
	2	64

33 Movement in deferred tax balances

Movement of deferred tax assets/(liabilities) for the year ended March 31, 2024

Particulars	As at March 31, 2023	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2024
Deferred tax assets				
Property, plant and equipment and Intangible assets	364	(34)	-	330
Refund liabilities (net of right to receive goods)	895	439	-	1,334
Provision for discount	255	(15)	-	240
Right of use assets	330	184	-	514
Provision for employee benefits - Gratuity, leave, bonus etc.	163	6	-	169
Provision for doubtful receivables	187	(38)	-	149
Provision for Obsolescence of inventory	26	-	-	26
Fair valuation of Investments in Mutual Funds, Bonds and debentures	116	(240)	2	(122)
Others	12	-	-	12
	2,348	302	2	2,652
Deferred tax liabilities				
Deferred income from government grant	122	(12)	-	110
Others	-	-	-	-
	122	(12)	-	110
Net deferred tax assets/(liabilities)	2,226	314	2	2,542

**Movement of deferred tax assets/(liabilities) for the year ended
March 31, 2023**

Particulars	As at March 31, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
Deferred tax assets				
Property, plant and equipment and Intangible assets	426	(62)	-	364
Refund liabilities (net of right to receive goods)	493	402	-	895
Provision for discount	168	87	-	255
Right of use assets	119	211	-	330
Provision for employee benefits - Gratuity, leave, bonus etc.	43	62	58	163
Provision for doubtful receivables	61	126	-	187
Provision for Obsolescence of inventory	-	26	-	26
Fair valuation of Investments	99	11	6	116
Others	1	11	-	12
	1,410	874	64	2,348
Deferred tax liabilities				
Deferred income from government grant	75	47	-	122
Others	44	(44)	-	-
	119	3	-	122
Net deferred tax assets/(liabilities)	1,291	871	64	2,226

Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

	As at March 31, 2024	As at March 31, 2023
A. Contingent Liabilities (for pending litigations)		
- Claims against the Company not acknowledged as debts	-	-
B. Commitments		
- Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for (Refer note i below)	4,228	44

Notes:

i) Apart from the commitments disclosed above, the Company has no financial commitments other than those in the nature of regular business operations.

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

35 Earnings per share ('EPS')

The earnings per share (EPS) disclosed in the Statement of Profit and Loss have been calculated as under:

		For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year as per Statement of Profit and Loss (Rs. in Lakhs)	(A)	6,101	13,274
Weighted average number of equity shares of Rs. 10 each (number)	(B)		
Basic		20,732,064	20,732,064
Diluted		20,732,064	20,732,064
Earnings per share [Face value of Rs. 10 each]	(A/B)		
Basic (Rs.)		29.43	64.03
Diluted (Rs.)		29.43	64.03

36 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets		
First/Floating /Equitable Charge		
Property, plant and equipment	17,465	15,541
Capital work-in-progress	8	1,937
Total non-current assets pledged as security	17,473	17,478
Current assets		
Floating charge		
Inventories	43,462	46,042
Financial assets	51,200	57,728
Other current assets	3,647	2,384
Total current assets pledged as security	98,309	106,154

Details of short-term borrowings facilities and security against those facilities

Bank/Facilities	Note	As at March 31, 2024	As at March 31, 2023
State Bank of India	Refer note-1		
Cash Credit		1,483	1,597
Working Capital Demand Loan		10,000	5,029
HDFC Bank	Refer note-2		
Overdraft/Cash Credit borrowings		-	790
Working Capital Demand Loan		6	3,988
Federal Bank	Refer note-3		
Overdraft/Cash Credit borrowings		1,139	-
Working Capital Demand Loan		2,359	1,489
ICICI Bank	Refer note-4		
Working Capital Demand Loan		-	-
Total		14,987	12,893

Note-1**Primary Charge**

- First pari-passu charge on the all current assets of the Company (present and future).
- First Charge / Exclusive Charge on the Company's entire present and future fixed assets of the Company including equitable mortgage of properties as follows:
 - (1) Plot No. 231, measuring 4,880 sq. yards at Industrial Area A, Ludhiana. (Sale deed no. 2640 dated 20 September 1956).
 - (2) Plot No. 232, measuring 4,095 sq. yards at Industrial Area A, Ludhiana (Sale deed no. 2135 dated 07 September 1964).
 - (3) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).
 - (4) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 14721 dated 14 January 1986).
 - (5) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 15516 dated 27 January 1986).
 - (6) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 14722 dated 14 January 1986).
 - (7) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 15517 dated 27 January 1986).

Note-2**Primary Charge**

- First charge created on mutual funds and first pari-passu charge created on current assets (present & Future)
- Second Parri Passu Charge over the following properties:
 - (1) Plot No. 231, measuring 4,880 sq. yards at Industrial Area A, Ludhiana. (Sale deed no. 2640 dated 20 September 1956).
 - (2) Plot No. 232, measuring 4,095 sq. yards at Industrial Area A, Ludhiana (Sale deed no. 2135 dated 07 September 1964).
 - (3) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).
 - (4) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 14721 dated 14 January 1986).
 - (5) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 15516 dated 27 January 1986).
 - (6) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 14722 dated 14 January 1986).
 - (7) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 15517 dated 27 January 1986).

Note-3**Primary Charge**

- First charge on the all current assets of the Company (present and future).
- Second pari-passu charge on the property as follows:
 - (1) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).

Note-4

Primary Charge

- Residual charge over the current assets and Movable Fixed Assets of the Borrower, both present and future

37. Employee Benefits

Defined Contribution Plan

The Company's contribution to Provident Fund for the year ended March 31, 2024 Rs. 484 Lakhs (for the year ended March 31, 2023: Rs. 428 Lakhs) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

Defined Benefit Plan

Gratuity

- The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a funded plan and the Company makes contributions of funds to Life Insurance Corporation of India and Kotak Life Insurance.
- This plan typically exposes the Company to actuarial risks such as: interest rate risk, Salary Escalation risk, Demographic risk and Investment risk.

Interest rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

Demographic risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Investment risk:

This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purpose of the actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09%	7.31%
Expected rate of salary increase	9.00%	9.00%
Expected return on plan assets	7.09%	7.31%
Mortality table used	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	8.00%	8.00%
Retirement age	62 years	62 years

The discount rate is determined by reference to market yields at the balance sheet date on Govt. bonds. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

The estimates of future salary increase considered, takes into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

d) The following tables sets out the status of the defined benefit scheme in respect of gratuity and amount recognised in the financial statements:

I. Components of Net Benefit Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Current Service Cost	175	149
2. Net Interest (Income)	13	(7)
3. Total expense recognised in the Statement of Profit and Loss	188	142
Re-measurements recognised in Other Comprehensive Income		
4. Effect of changes in financial assumptions	35	189
5. Effect of Change in demographic assumptions	-	22
6. Effect of experience adjustments	(3)	5
7. Return on plan assets (greater)/less than discount rate	(23)	13
8. Total loss of re-measurements included in OCI	9	229

The current service cost and the net interest (Income for the year are included in Note 28 "Employee Benefits Expense" under the head "Salaries and Wages".

II. Change in present value of defined benefit obligation

	As at March 31, 2024	As at March 31, 2023
1. Present Value of defined benefit obligation at the beginning of the year	1,890	1,453
2. Current Service Cost	175	149
3. Interest Cost	137	112
Remeasurement gains / (losses):		
4. Effect of changes in financial assumptions	35	189
5. Effect of Change in demographic assumptions	-	22
6. Effect of experience adjustments	(3)	5
7. Benefits Paid	(78)	(40)
8. Present Value of defined benefit obligation at the end of the year	2,156	1,890

III. Change in fair value of Plan assets

	As at March 31, 2024	As at March 31, 2023
1. Fair value of Plan assets at the beginning of the year	1,699	1,583
2. Interest income on plan assets	124	119
3. Employer contributions	251	50
4. Return on plan assets greater /(lesser) than discount rate	23	(13)
5. Benefits paid	(78)	(40)
6. Fair value of assets at end of the year	2,019	1,699

IV. Net Asset / (Liability) recognised in Balance Sheet

	As at March 31, 2024	As at March 31, 2023
1. Present value of funded defined benefit obligation	(2,156)	(1,890)
2. Fair Value of Plan Assets	2,019	1,699
Net Defined Benefit Asset/(Liability) Recognised in Balance sheet	(137)	(191)

V. Sensitivity Analysis - Impact on defined benefit obligation

	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Discount Rate + 50 basis points	(79)	(70)
2. Discount Rate - 50 basis points	84	75
3. Salary Escalation Rate + 50 basis points	69	62
4. Salary Escalation Rate - 50 basis points	(67)	(60)

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

assumption may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

VI. The following benefit payments (undiscounted) are expected in future years:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Upto 1 year	277	220
1-2 years	200	157
2-3 years	187	179
3-4 years	182	172
4-5 years	169	162
Above 5 years	977	836

VI. Category of plan assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
LIC of India - Group Gratuity Cash Accumulation Fund	91%	90%
Kotak Gratuity Group Plan (UIN - 107L010V07)	9%	10%

VII. Expected contribution

The expected employer contribution for the next year is Rs. 331 Lakhs (Previous year Rs. 366 Lakhs).

38. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act.

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
a. Amount required to be spent by the Company during the year	269	219
b. Amount of expenditure incurred	269	219
c. Shortfall at the end of the year (a-b)	-	-
d. Total of previous years shortfall	-	-
e. Nature of CSR activities	Preventing Healthcare	
f. <u>Details of related party transactions:</u> - Oswal Foundation*	269	219
g. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

There are no ongoing projects under Section 135(6) of the Act during the current year and previous year.

39 Financial Instruments

(a) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost #	FVTPL	FVOCI	Amortised cost #
Financial assets						
Investments*	11,471	3,148	7,913	13,629	3,125	6,638
Trade receivables	-	-	37,008	-	-	38,018
Cash and cash equivalents	-	-	56	-	-	60
Other bank balances	-	-	672	-	-	1,298
Loans	-	-	61	-	-	60
Other financial assets	-	-	5,403	-	-	4,947
Total	11,471	3,148	51,113	13,629	3,125	51,021

Financial liabilities						
Borrowings	-	-	21,699	-	-	20,199
Trade payables	-	-	14,147	-	-	19,398
Lease liabilities	-	-	16,498	-	-	12,945
Other financial liabilities	-	-	5,330	-	-	4,896
Total	-	-	57,674	-	-	57,438

* Investment value excludes investment in subsidiary of Rs. 1,570 Lakhs (March 31, 2023: Rs. 870 Lakhs) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in Mutual Funds	11,071	-	-	11,071
Investments in debentures and bonds	3,148	-	-	3,148
Investments in Alternate Investment Fund	400	-	-	400
	14,619	-	-	14,619

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in Mutual Funds	13,629	-	-	13,629
Investments in debentures and bonds	3,125	-	-	3,125
Investments in Alternate Investment Fund	-	-	-	-
	16,754	-	-	16,754

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The Fair value of mutual funds, bonds and debentures is based on the net asset value (NAV) as stated by the Asset management Company (AMC) as at the Balance sheet date.

c) Financial risk management

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include Investment, trade receivables, cash and cash equivalents, Other bank balances and Other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, price risk.

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and JPY. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and hence the Company does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of year expressed in INR Lakhs are as follows:

	As at March 31, 2024		As at March 31, 2023	
	USD	JPY	USD	JPY
Trade payables	-	-	-	3

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the Rs. against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Rs. strengthens by 5%	Rs. weakening by 5%	Rs. strengthens by 5%	Rs. weakening by 5%
Impact on profit or loss for the year				
USD impact	-	-	-	-
JPY impact #	-	-	(0)	0

Previous year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company carries borrowings primarily at variable rate.

	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	21,699	20,199
Total borrowings	21,699	20,199

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Impact on profit or loss for the year ended	
	March 31, 2024	March 31, 2023
Decrease by 50 bps	108	101
Increase by 50 bps	(108)	(101)

Price risk

The Company's exposure to price risk arises from investments in mutual funds, bonds and debentures held by the Company and measured at fair value. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Price sensitivity

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Increase in NAV by 5%	Decrease in NAV by 5%	Increase in NAV by 5%	Decrease in NAV by 5%
Impact on profit or loss for the year				
Investments in mutual funds	574	(574)	681	(681)
Impact on Other comprehensive income for the year				
Investments in bonds / debentures	157	(157)	156	(156)

(ii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and loans and advances. None of the financial instruments of the Company results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	581	398

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
Year ended March 31, 2024					
Borrowings	21,699	-	-	-	21,699
Other financial liabilities	1,490	-	-	3,840	5,330
Trade payables	14,147	-	-	-	14,147
Lease liabilities	3,646	3,541	8,864	5,435	21,486
Total	40,982	3,541	8,864	9,275	62,662
Year ended March 31, 2023					
Borrowings	19,929	270	-	-	20,199
Other financial liabilities	1,817	-	-	3,079	4,896
Trade payables	19,398	-	-	-	19,398
Lease liabilities	2,927	2,782	6,860	4,730	17,299
Total	44,071	3,052	6,860	7,809	61,792

40 Dividend distribution made and proposed

	As at March 31, 2024	As at March 31, 2023
Equity shares		
Final dividend for the year ended March 31, 2023 of Rs. 20 per share (for the year ended March 31, 2022 of Rs. 20 per share)	4,147	4,145
	4,147	4,145

Dividends not recognised at the end of the reporting period

The Board of Directors of Company have proposed the final dividend of Rs. 20 per share for the year ended March 31, 2024. The proposed final dividend is subject to approval of the members at the ensuing Annual General Meeting. The amount of such dividend proposed is in accordance with section 123 of Companies Act, 2013.

41 Capital management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurates with the level of risk. The capital structure of the Company consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Company.

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board monitors capital using capital gearing ratio, which is net debt divided by total capital plus net debt.

	As at March 31, 2024	As at March 31, 2023
Borrowings	21,699	20,199
Less: Cash and cash equivalents	56	60
Less: Other bank balances	672	1,298
Net debt (a)	20,971	18,841
Equity (b)	79,622	77,676
Capital and net debt (c) [(a) + (b)]	100,593	96,517
Gearing ratio [(a) / (c)]	21%	20%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current and previous year. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

42 Related party disclosure

a) Description of related parties

Nature of relationship	Name of related party
(i) Key management personnel	Jawahar Lal Oswal (Chairman and Managing Director) Sandeep Jain (Executive Director) Monica Oswal (Executive Director) Ruchika Oswal (Executive Director) Rishabh Oswal (Executive Director) Dinesh Gogna (Director) Suresh Kumar Singla (Independent Director) Manisha Gupta (Independent Director) Alok Kumar Misra (Independent Director) Roshan Lal Behl (Independent Director) Manikant Prasad Singh (Independent Director) Parvinder Singh Pruthi (Independent Director) Raj Kapoor Sharma (Chief Financial Officer) Ankur Gauba (Company Secretary)
(ii) Subsidiary Company	Monte Carlo Home Textiles Limited
(iii) Enterprises over which key management personnel and their relatives are able to exercise significant influence (with whom transaction have taken place)	Cotton County Retail Limited Nahar Industrial Enterprises Limited Nahar Spinning Mills Limited Oswal Woollen Mills Limited Oswal Foundation Mohan Dai Oswal Cancer Treatment & Research Foundation
(iv) Enterprises having significant influence on the Company	Girnar Investments Limited Nagdevi Trading and Investment Company Limited

(b) Transactions with related parties

	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Spinning Mills Limited	520	501
Nahar Industrial Enterprises Limited	3	9
Oswal Woollen Mills Limited	22	32
Mohan Dai Oswal Cancer Treatment & Research Foundation	2	4
Oswal Foundation #	-	0
	547	546

Sales returns

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Oswal Woollen Mills Limited **	0	0
Nahar Spinning Mills Limited	14	3
Nahar Industrial Enterprises Limited *	0	-
Mohan Dai Oswal Cancer Treatment & Research Foundation	-	-
	14	3

Purchase of goods

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Nahar Spinning Mills Limited	1,645	3,385
Nahar Industrial Enterprises Limited	359	682
Oswal Woollen Mills Limited	6,339	7,059
	8,343	11,126

Purchase of property, plant and equipment

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Nahar Industrial Enterprises Limited	2	-
Cotton County Retail Limited	-	11
Oswal Woollen Mills Limited	11	1
Nahar Spinning Mills Limited	-	6
Mohan Dai Oswal Cancer Treatment & Research Foundation *	0	-
	13	18

Sale of property, plant and equipment

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Mohan Dai Oswal Cancer Treatment & Research Foundation	-	-
Nahar Industrial Enterprises Limited	75	-
	75	-

Purchase return

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Oswal Woollen Mills Limited	64	-
Nahar Industrial Enterprises Limited #	6	0
	70	0

Sitting Fees Paid

Key management personnel

Dinesh Gogna	1	1
Parvinder Singh Pruthi	1	1
Manikant Prasad Singh	1	1
Manisha Gupta	1	1
Suresh Kumar Singla	1	1
Alok Kumar Misra	1	1
Roshan Lal Behl	1	1
	7	7

Remuneration Paid @

Key management personnel

Jawahar Lal Oswal	670	680
Sandeep Jain	242	239
Monica Oswal	86	101
Ruchika Oswal	86	89
Rishabh Oswal	185	157
Raj Kapoor Sharma	31	29
Ankur Gauba	12	11
	1,312	1,306

	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment in Equity shares		
<u>Subsidiary</u>		
Monte Carlo Home Textiles Limited	700	850
Loan given		
<u>Subsidiary</u>		
Monte Carlo Home Tetiles Limited	-	557
Loan received back		
<u>Subsidiary</u>		
Monte Carlo Home Tetiles Limited	-	557
Interest received on loan		
<u>Subsidiary</u>		
Monte Carlo Home Tetiles Limited	-	4
Rent received		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Spinning Mills Limited	7	7
Rent paid		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Spinning Mills Limited	99	94
Nahar Industrial Enterprises Limited	257	199
Oswal Woollen Mills Limited	139	143
	495	436
Processing charges paid		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Spinning Mills Limited	114	149
Oswal Woollen Mills Limited	3	3
Nahar Industrial Enterprises Limited	-	-
	117	152
Reimbursement of expenses paid		
<u>Subsidiary</u>		
Monte Carlo Home Tetiles Limited	1	2
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Industrial Enterprises Limited	157	196
Nahar Spinning Mills Limited	258	57
Oswal Woollen Mills Limited	37	511
Mohan Dai Oswal Cancer Treatment & Research Foundation	-	-
Oswal Foundation #	-	0
	453	766
Reimbursement of expenses received		
<u>Subsidiary</u>		
Monte Carlo Home Tetiles Limited	14	-
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Industrial Enterprises Limited #	28	0
Oswal Woollen Mills Limited	3	12
	45	12

Contribution made to the fund (CSR activities)

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Oswal Foundation	269	219
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(c) Outstanding Balances:

	As at March 31, 2024	As at March 31, 2023
Trade payables		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Spinning Mills Limited	398	1,054
Nahar Industrial Enterprises Limited	181	292
Cotton County Retail Limited	-	13
Oswal Woollen Mills Limited	1,941	2,314
	2,520	3,673
Advances to suppliers		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Monte Carlo Home Textiles Limited *	0	-
Trade receivable		
<u>Enterprises over which key management personnel and their relatives are able to exercise significant influence</u>		
Nahar Industrial Enterprises Limited	-	5
Mohan Dai Oswal Cancer Treatment & Research Foundation #	-	0
Oswal Woollen Mills Limited	-	8
Nahar Spinning Mills Limited	-	59
	-	72
Remuneration payable		
<u>Key management personnel</u>		
Jawahar Lal Oswal	20	401
Sandeep Jain	16	27
Monica Oswal	8	10
Ruchika Oswal	4	10
Rishabh Oswal	16	19
Raj Kapoor Sharma	2	3
Ankur Gauba	1	1
	67	471

* Current year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

Previous year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

@ Gratuity and leave benefits which are actuarially determined on an overall basis are not separately disclosed.

43 Revenue from contracts with customers

The Company is in the business of manufacturing and trading of textile garments which are considered to be homogeneous products.

a) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross sale of products	142,192	140,635
Less: Adjustment on account of sales return	(22,599)	(17,790)
Less: Adjustment on account of discounts	(13,537)	(11,248)
	106,056	111,597

b) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical segment

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from sale of products customers within India	105,902	111,548
Revenue from sale of products customers outside India	154	49
Revenue as per the Standalone Statement of Profit and Loss	106,056	111,597

c) Contract balances:

Particulars	As at March 31, 2024	As at March 31, 2023
Contract assets		
Trade receivables (refer note 12)	37,008	38,018
Right to recover returned goods (refer note 11)	6,185	6,679
	43,193	44,697
Contract Liabilities		
Advance from customers (refer note 20)	1,100	1,029
Refund liability (refer note 20)	11,246	10,234
	12,346	11,263

d) Revenue recognised in relation to contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
a. Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	1,029	1,064
b. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

44 Segment information

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director has been identified as being the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108 "Operating Segments". The Company operates in one reportable business segment, i.e. manufacturing and trading of textile garments and is primarily operating in India and hence, considered as single geographical segment. The sale of Company's products is seasonal.

Entity wide disclosures:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations		
- Domestic	105,902	111,548
- Overseas	154	49
	106,056	111,597
Non Current Segment Assets		
-Within India	53,437	43,518
-Outside India	-	-
	53,437	43,518

Domestic information includes sales to customers located in India.

Overseas information includes sales to customers located outside India.

Non-current segment assets mainly includes Property, plant and equipment, Right-of-use assets, Investments, tax assets and Other non-current assets.

No single customer contributed 10% or more to the Company's revenue for both the financial years 2023-24 and 2022-23.

45 Additional Information

- a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- b) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company does not have any transactions with companies struck off.
- e) The Company does not have any transaction which is not recorded in the books of account 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)
- f) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- g) The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the Ultimate Beneficiaries
- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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
- j) The Company has availed facilities from banks on the basis of security of current assets. The revised returns or statements filed by the company are in agreement with the books of accounts and there are no material discrepancies.
- k) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.

46 Ratios Analysis

Particulars	Numerator	Denominator	For the year ended March 31, 2024	For the year ended March 31, 2023	% Variance	Remarks
(a) Current Ratio	Current assets	Current liabilities	1.88	1.95	-4%	
(b) Debt Equity Ratio	Total Debt (excluding lease liabilities)	Shareholder's Equity	0.27	0.26	5%	
(c) Debt-service coverage ratio	Earning available for debt service *	Debt service **	2.40	4.39	-45%	Decrease in ratio is on account of decrease in profit and increase in borrowing during the year.
(d) Return on Equity Ratio (%)	Net profits after taxes	Average shareholder's equity	7.76%	18.13%	-57%	Decrease in ratio is on account of decrease in profit during the year.
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	1.36	1.58	-14%	
(f) Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	2.83	3.49	-19%	

(g) Trade payables turnover ratio	Total purchases	Average Trade Payables	3.49	4.57	-24%	
(h) Net Capital turnover ratio	Revenue from operations	Working Capital = Current Assets - Current Liabilities	2.31	2.16	7%	
(i) Net Profit ratio (%)	Net profits after taxes	Revenue from operations	5.75%	11.88%	-52%	Decrease in ratio is on account of decrease in profit during the year.
(j) Return on capital employed (%)	Earnings before interest and taxes	Capital employed #	13.86%	23.07%	-40%	Decrease in ratio is on account of decrease in profit during the year.
(k) Return on investment (%)	Earnings on investments	Average Investments	9.14%	6.59%	39%	Increase in ratio is on account of increase in gain on sale of investment and MTM gain during the year.

* Earning Available For Debt Service = Net profit after tax + Non cash operating expenses like depreciation, amounts written off and other amortisations + Finance Cost

** Debt service = Finance Costs + Principal repayments of long term borrowings + Payment of lease liability

Capital Employed = Total Equity + Total Borrowings (Current and Non-Current) - Right of Use Assets - Intangible assets - Intangible assets under development

47 The Company is using two accounting software for maintaining its books of account wherein, audit trail feature (edit log facility) as per the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is not enabled/not available during the year ended March 31, 2024. The Company is in the process of implementing audit trail feature in one of the accounting software and is in the process of evaluating options for implementing audit trail feature in other accounting software, being used for maintaining its books of account to comply with the prescribed requirements.

48 Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows:

	Lease liabilities	Long-term borrowings*	Short-term borrowings	Total
As at March 31, 2022	8,728	1,163	5,680	15,571
Cash flows:				
Proceeds from borrowings	-	-	13,918	13,918
Repayment of borrowings	-	(563)	-	(563)
Payment of lease liabilities	(2,472)	-	-	(2,472)
Non-cash movements:				
Additions on account of new leases	6,391	-	-	6,391
Lease modifications	70	-	-	70
Impact of lease derecognised	(717)	-	-	(717)
Rent concessions	-	-	-	-
Interest Expense	945	-	1	946
Impact of other borrowing costs	-	-	-	-
As at March 31, 2023	12,945	600	19,599	33,144
Cash flows:				
Proceeds from borrowings	-	-	1,830	1,830
Repayment of borrowings	-	(600)	-	(600)
Payment of lease liabilities	(3,280)	-	-	(3,280)
Non-cash movements:				
Additions on account of new leases	5,714	-	-	5,714
Lease modifications	-	-	-	-
Impact of lease derecognised	(196)	-	-	(196)
Interest Expense	1,315	-	-	1,315
As at March 31, 2024	16,498	-	21,429	37,927

* Long-term borrowings include current maturities

49 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 28, 2024.

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Jawahar Lal Oswal
Chairman and Managing Director
DIN : 00463866

Sandeep Jain
Executive Director
DIN : 00565760

Place : Gurugram
Date : May 28, 2024

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024

INDEPENDENT AUDITOR'S REPORT
Report on the Audit of the Consolidated Financial Statements
To The Members of Monte Carlo Fashions Limited

Opinion

We have audited the accompanying consolidated financial statements of Monte Carlo Fashions Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Provision for Expected Sales return - Refer to Notes 2.12, 2.25, 23 and 44 to the consolidated financial statement</p> <p>Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations and is measured at the amount of transaction price (net of variable consideration and provision for sales returns) allocated to that performance obligation.</p> <p>The methodology and assumptions used to estimate expected sales return involves significant judgments by the Management. Such estimates are monitored and adjusted</p>	<p>Principal audit procedures performed:-</p> <ul style="list-style-type: none"> • Assessed the appropriateness of the Group's revenue recognition accounting policies, including those relating to expected sales returns by comparing with applicable accounting standards and other accounting principles generally accepted in India. • Obtained an understanding of the process followed by the Group for estimating the expected sale returns. • Tested the design and implementation of controls that the Group has established for determining provision for sales returns and tested the operating effectiveness of such controls.

<p>regularly in the light of contractual and legal obligations, historical trend and past experience. Once the uncertainty associated with the expected sales returns is resolved, revenue is adjusted accordingly.</p> <p>The Group has recognized provision for expected sales returns amounting to Rs. 11,246 Lakhs as at March 31, 2024.</p> <p>Considering the above, we have considered the estimations over expected sales returns as a key audit matter.</p>	<ul style="list-style-type: none"> • Evaluated the management estimates and judgements in determining the expected sales returns by verifying the past trend and assessed whether the methodology followed is consistent with the prior year. • Evaluated the contract terms for each type of contracts with customers to assess the reasonableness of the provision for expected sales returns and determine whether the same is in line with terms of the contract. • Traced the workings provided by the Group for provision for sales returns at the balance sheet date to underlying sales records to ensure the completeness of the sales considered for this purpose. • For selected samples, tested credit notes issued to customers and assessed the validity of claims with the underlying documents and appropriate approvals. • Assessed the appropriateness of the presentation of such provision for sales return and the disclosures made in the consolidated financial statements in respect of the same.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Business Responsibility and sustainability Report, Director's Report including Annexure to Director Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management Discussion and Analysis Report, Business Responsibility and sustainability Report, Director's Report including Annexure to Director Report and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective

Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law maintained by the Group, relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Company and subsidiary company, none of the directors of the Group companies, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/are as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company and subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company, is in accordance with the provisions of section 197 of the Act and the subsidiary company has not paid any remuneration to its directors.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Group does not have any pending litigations which would impact the consolidated financial position of the Group- Refer Note 34(A) to the Consolidated financial statements.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts - Refer Note 34(ii) to the Consolidated financial statements.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company- Refer Note 46(k) to the Consolidated financial statements.
 - iv) a) The respective Managements of the Parent Company and its subsidiary, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 46(h) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or subsidiary, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent Company and its subsidiary, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 46(i) to the consolidated financial statements, no funds have been received by the Parent Company or subsidiary, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiary, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) The final dividend proposed in the previous year, declared and paid by the Parent Company, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 40 to the consolidated financial statements, the Board of Directors of the Parent Company, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi) Based on our examination and based on the auditor's reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent Company and its subsidiary company have used two accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024, wherein the accounting software did not have the audit trail feature enabled throughout the year/ did not have the feature of recording audit trail (edit log) facility. (Refer Note 47 to the financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Monte Carlo Fashions Limited	L51494PB2008P LC032059	Parent	Clause i (c) (Title deeds of immovable properties not held in the name of the Company) of Annexure A to the Independent Auditor's report.
Monte Carlo Home Textiles Limited	U17299PB2021P LC054819	Subsidiary	Clause xvii (Cash Losses amounting to Rs. 106.62 lakhs).

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN 24105546BKEPDH9660)

Place: Ludhiana
Date: May 28, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Monte Carlo Fashions Limited (hereinafter referred to as “Parent”) and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
(UDIN 24105546BKEPDH9660)

Place: Ludhiana
Date: May 28, 2024

Consolidated Balance Sheet as at March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	17,862	15,541
b) Right-of-use assets	4	14,697	11,813
c) Capital work-in-progress	5	8	1,937
d) Intangible assets	6	597	737
e) Financial assets			
i) Investments	7	10,459	6,380
ii) Other financial assets	8	4,073	3,667
f) Income tax assets (net)	9	1,531	237
g) Deferred tax assets (net)	33	2,542	2,226
h) Other non-current assets	10	1,437	838
Total non-current assets		53,206	43,376
Current assets			
a) Inventories	11	43,462	46,042
b) Financial assets			
i) Investments	7	12,073	17,012
ii) Trade receivables	12	37,008	38,018
iii) Cash and cash equivalents	13	148	171
iv) Bank balances other than cash and cash equivalents	14	672	1,298
v) Loans	15	61	60
vi) Other financial assets	8	1,330	1,280
c) Other current assets	10	3,647	2,385
Total current assets		98,401	106,266
TOTAL ASSETS		151,607	149,642
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	2,073	2,073
b) Other equity	17	77,407	75,567
Total equity		79,480	77,640

Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18	-	270
ii) Lease liabilities	4	12,852	11,118
iii) Other financial liabilities	19	3,840	3,079
b) Other non-current liabilities	20	2,883	3,076
c) Provisions	21	122	89
Total non-current liabilities		19,697	17,632
Current liabilities			
a) Financial liabilities			
i) Borrowings	18	21,699	19,929
ii) Lease liabilities	4	3,646	1,827
iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and	22	3,428	84
- total outstanding dues of creditors other than micro enterprises and small enterprises	22	10,720	19,315
iv) Other financial liabilities	19	1,492	1,822
b) Other current liabilities	20	10,488	9,333
c) Current tax liabilities (net)	9	-	1,037
d) Provisions	21	957	1,023
Total current liabilities		52,430	54,370
TOTAL EQUITY AND LIABILITIES		151,607	149,642

The accompanying note forms an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
 Partner
 Membership No. 105546

Jawahar Lal Oswal
 Chairman and Managing Director
 DIN : 00463866

Sandeep Jain
 Executive Director
 DIN : 00565760

Place : Gurugram
 Date : May 28, 2024

Raj Kapoor Sharma
 Chief Financial Officer

Ankur Gauba
 Company Secretary
 Membership No. FCS10577

Place : Ludhiana
 Date : May 28, 2024

Consolidated Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	23	106,191	111,771
II Other income	24	2,750	2,083
III Total income (I+II)		108,941	113,854
IV EXPENSES			
Cost of materials consumed	25	11,683	13,947
Purchases of stock-in-trade	26	47,127	61,493
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	2,199	(16,157)
Employee benefits expense	28	10,613	9,661
Finance costs	29	3,748	2,445
Depreciation and amortisation expense	30	5,122	4,177
Other expenses	31	20,382	21,067
Total expenses		100,874	96,633
V Profit before tax (III-IV)		8,067	17,221
VI Tax expense:	32		
- Current tax expense		2,510	5,163
- Deferred tax expense/(credit)		(314)	(693)
- Current tax adjustments related to earlier years		(123)	(323)
- Deferred tax adjustments related to earlier years		-	(178)
Total tax expense		2,073	3,969
VII Profit for the year (V-VI)		5,994	13,252
VIII Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
- Re-measurement gain / (loss) on defined benefit obligations		1	(229)
- Income tax relating to these items		-	58
- Net fair value loss on investment in perpetual bonds		(9)	(24)
- Income tax relating to these items		2	6
Other comprehensive income / (loss) for the year, net of tax		(6)	(189)
IX Total comprehensive income for the year		5,988	13,063
X Earnings per equity share (nominal value Rs. 10 each)	35		
Basic (Rs.)		28.91	63.92
Diluted (Rs.)		28.91	63.92

The accompanying note forms an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Jawahar Lal Oswal
Chairman and Managing Director
DIN : 00463866

Sandeep Jain
Executive Director
DIN : 00565760

Place : Gurugram
Date : May 28, 2024

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024

Consolidated Statement of Cash flow for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities:		
Profit before tax	8,067	17,221
Add: Adjustment for non-cash and non-operating items		
Depreciation and amortisation expense	5,122	4,177
Finance costs	3,748	2,445
Interest income	(1,563)	(1,185)
Loss / (Profit) on sale of investments (net)	(130)	(12)
Loss / (Profit) on sale of property, plant and equipment (net)	(20)	(2)
Provision for doubtful receivables	313	500
Profit on derecognition / modification of lease contract	-	(193)
Fair valuation gain on investments through profit and loss	(875)	(556)
Amounts written off	2	21
Operating profit before working capital changes	14,664	22,416
Adjusted for movement in:		
Decrease/ (Increase) in trade receivables	826	(12,349)
Decrease/ (Increase) in inventories	2,580	(17,134)
(Decrease)/Increase in trade payables	(5,250)	5,535
(Decrease)/Increase in provisions	(33)	446
(Decrease)/Increase in other financial and non-financial assets	(1,520)	46
Increase in other financial and non-financial liabilities	1,597	5,479
Cash outflow from operating activities before taxes	12,864	4,439
Direct taxes paid (net of refunds and demands)	(4,718)	(4,968)
Net cash generated from / (used in) operating activities (A)	8,146	(529)
B. Cash flow from investing activities:		
Purchase of property, plant and equipment and Intangible assets (including capital advances, creditors for capital goods, Capital work-in-progress and Intangible assets under development)	(3,477)	(5,330)
Proceeds from sale of property, plant and equipment	95	33
Purchase of investments	(5,125)	(5,370)
Purchase of equity shares in subsidiary	-	-
Proceeds from sale of investments	5,138	949
Fixed Deposits not considered as cash and cash equivalents		
-Placed	(723)	(5,267)
-Matured	3,057	9,391
Interest received	1,388	960
Net cash generated from /(used in) investing activities (B)	353	(4,634)

C. Cash flow from financing activities:		
Repayment of long-term borrowings	(600)	(563)
Proceeds from short-term borrowings (net of repayments)	1,830	13,918
Payment of principal of lease liabilities	(1,885)	(1,527)
Payment of interest of lease liabilities	(1,315)	(945)
Dividend paid	(4,146)	(4,146)
Finance cost paid	(2,406)	(1,445)
Net cash (used in)/generated from financing activities (C)	(8,522)	5,292
Net (decrease)/increase in cash and cash equivalents (A+B+C)		
	(23)	129
Cash and cash equivalents at the beginning of the year	171	42
Cash and cash equivalents at the end of the year	148	171
Cash and cash equivalents (refer note 13) include:		
Cash in hand	56	42
Cheques in hand	-	18
Balance with banks	92	111
Total cash and cash equivalents	148	171

Notes :

- i) Refer note 48, for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows.

The accompanying note forms an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants
 Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
 Partner
 Membership No. 105546

Jawahar Lal Oswal
 Chairman and Managing Director
 DIN : 00463866

Sandeep Jain
 Executive Director
 DIN : 00565760

Place : Gurugram
 Date : May 28, 2024

Raj Kapoor Sharma
 Chief Financial Officer

Ankur Gauba
 Company Secretary
 Membership No. FCS10577

Place : Ludhiana
 Date : May 28, 2024

Consolidated Statement of changes in equity for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

A. Equity share capital	Amount
Balance as at March 31, 2022	2,073
Add: Changes during the year	-
Balance as at March 31, 2023	2,073
Add: Changes during the year	-
Balance as at March 31, 2024	2,073

B. Other equity

Particulars	Reserves and Surplus					Other comprehensive income	Total
	Capital reserve *	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Debt instruments through OCI	
Balance as at March 31, 2022	0	100	7,470	38,087	20,998	(6)	66,649
Profit for the year	-	-	-	-	13,252	-	13,252
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	(171)	-	(171)
Fair valuation of investment in perpetual bonds (net of tax)	-	-	-	-	-	(18)	(18)
Total comprehensive income for the year	-	-	-	-	13,081	(18)	13,063
Dividends	-	-	-	-	(4,145)	-	(4,145)
Balance as at March 31, 2023	0	100	7,470	38,087	29,934	(24)	75,567
Profit for the year	-	-	-	-	5,994	-	5,994
Remeasurement of defined benefit obligations (net of tax)	-	-	-	-	1	-	1
Fair valuation of investment in perpetual bonds (net of tax)	-	-	-	-	-	(7)	(7)
Total comprehensive income for the year	-	-	-	-	5,995	(7)	5,988
Dividend	-	-	-	-	(4,147)	-	(4,147)
Balance as at March 31, 2024	0	100	7,470	38,087	31,782	(31)	77,407

* Balance as at March 31, 2022, March 31, 2023 and March 31, 2024 is less than Rs 1 Lakh, accordingly appearing as Nil.

The accompanying note forms an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 015125N

For and on behalf of the Board of Directors

Rajesh Kumar Agarwal
Partner
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Place : Gurugram
Date : May 28, 2024

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024

Notes to consolidated financial statements for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)**1 General Information**

Monte Carlo Fashions Limited (the "Company" or "the Parent Company") is a public company limited by shares incorporated under the provisions of the Companies Act, 1956 on 1 July 2008 and is domiciled in India. The Company's registered office is at B-XXIX-106, G.T. Road, Sherpur, Ludhiana, Punjab. Its shares are listed on both BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing of designer woolen/cotton readymade apparels and trading of readymade apparels including blankets under its brand "MONTE CARLO" which has also been recognised as a "SUPERBRAND".

2 Material Accounting Policies**2.1. Statement of Compliance**

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The board of directors have considered the financial position of the Group as at March 31, 2024 and the projected cash flows and financial performance of the Group for at least twelve months from the date of approval of these financial statements.

The consolidated financial statements of the Group are presented in Indian Rupee ('INR') and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

2.2. Basis of Preparation and Presentation

The consolidated financial statements of the Company and its subsidiary (together "the Group") have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

All assets and liabilities have been classified as current or non-current according to the Group's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

The principal accounting policies are set out below.

2.3. Impact of the initial application of new and amended Ind ASs that are effective for current year

In the current year, the Group has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023:-

- i) The Group has adopted the amendments to Ind AS 1 - Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.
- ii) The Group has adopted the amendments to Ind AS 8- Accounting Policies, Changes in Accounting

Estimates and Errors- Definition of Accounting Estimates for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The definition of a change in accounting estimates was deleted.

2.4. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses 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 listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

All intra Company's assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.5. Use of Estimates and Judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

2.6. Inventory

Inventories are initially recognised at the lower of cost and net realisable value (NRV).

Cost incurred in bringing each product to its present location and condition are accumulated as follows:

- **Raw materials and stores and spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost method basis.
- **Work-in-progress:** Cost is determined at raw material cost plus conversion costs depending upon the stage of completion.
- **Manufactured finished goods: Manufactured finished goods are** stated at the lower of cost or market value. Cost is determined using actual cost method of valuation in which cost of inventories comprises costs of purchase, costs of conversion and other attributable costs incurred in bringing them to their respective present location and condition.
- **Traded finished goods: Traded finished goods are** stated at the lower of cost or market value. Cost is determined using the weighted average cost basis and includes the purchase price and attributable direct costs.

Initial cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.7. Property, plant and equipment

Recognition

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

Depreciation

Depreciation on property, plant and equipment is provided on the written down value method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013 except for Plant and machinery used in factory.

The estimated useful life of Plant and machinery used in factory have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

The following useful life of assets has been taken by the Group:

Tangible assets	Useful life
Building	30 years
Plant and machinery – factory	9-10 years
Plant and machinery - Other than factory	15 years
Furniture and fixtures	10 years
Vehicles	8 years and 10 years
Office equipment	5 years
Computer equipment	3 years and 6 years

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised 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 de-recognised.

2.1. Intangible assets

Recognition

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

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.

Amortisation

Intangible assets are amortised on straight-line basis over the useful life as estimated by the management.

Intangible assets	Useful life
Software	5 years

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

2.9. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

2.10. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency.

Initial recognition

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

2.11. Fair value measurement

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.

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.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 consolidated financial statements on a recurring basis, 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 or each case.

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

2.12. Revenue recognition

Sale of goods:

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations. The Performance obligations as per contracts with customers are fulfilled at the time of dispatch or delivery of goods depending upon the terms agreed with customer.

The Group has concluded that revenue arrangements with its business partners/customers are on

principal to principal basis.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration and provision for sales returns) allocated to that performance obligation.

Amounts disclosed as revenue are net of returns and trade discounts, rebates, incentives, etc. The Group collects goods and services tax on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Variable consideration includes trade discounts, rebates and incentives, etc. The Group uses its accumulated historical experience to estimate the variable consideration using the expected value method.

Under the Group's standard contract terms, customers have a right of return goods as per Group's policy. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return; consequently, the Group recognises a right-to-returned-goods asset and a corresponding adjustment to change in inventory. The Group uses its accumulated historical experience to estimate the goods that will be returned using the expected value method because this method best predicts the amount of returns to which the Group will be entitled.

Interest income:

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

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Insurance and other claims

Revenue in respect of claims is recognised when no significant uncertainty exists with regard to the amount to be realised and the ultimate collection thereof.

Sales return

Refund liability arising from rights to return

A refund liability is the obligation to refund some or all of the consideration received from the customer. The Group has therefore recognised refund liabilities in respect of customer's right to return. The Group updates its estimate of refund liabilities (i.e., accrual for sales returns) at the end of each reporting period.

Right to recover returned goods arising from rights to return

An asset recognised for a Group's right to recover goods from a customer on settling a refund liability was initially be measured by sale price net of margin and any expected costs to recover those products (including potential decreases in the value to the entity of returned products). At the end of each reporting period, an entity shall update the measurement of the asset arising from changes in expectations about products to be returned. The Group has presented the asset separately from the refund liability.

2.13. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.14. Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost** – a financial instrument is measured at 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 on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

- ii. **Financial assets carried at fair value through other comprehensive income (FVTOCI)** - A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling the financial asset. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss.
- iii. **Financial assets carried at fair value through Profit or Loss (FVTPL)** - Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss.

Investment in Mutual funds – All Investments in mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

Investments in equity instruments – The Group subsequently measures all equity investments (other than subsidiaries) at fair value (either through profit or loss or through other comprehensive income). Dividends from such investments are recognised in the Statement of Profit or Loss as other income when the Group's right to receive payments is established.

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

Derivative liabilities - All derivative liabilities are measured at fair value through profit and loss (FVTPL).

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.

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.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.15. Retirement and other employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation other than the contribution payable to the Provident Fund.

Defined benefit plans

The Group operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other short term benefits

Expense in respect of other short-term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employees.

2.16. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement (if any).

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the

present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

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

2.17. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

2.18. Leases

The Group's lease asset classes primarily consist of leases for showrooms taken on rent. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination, including: whether there are significant penalties to terminate (or not extend); whether any leasehold improvements are expected to have a significant remaining value; historical lease durations; the importance of the underlying asset to the Group's operations; and the costs and business disruption required to replace the leased asset. The Group typically exercises its option to renew (or does not exercise its option to terminate) for the leases because there will be a negative effect on the sale of its products if a replacement is not readily available and also due to the cost of the leasehold improvements.

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset,
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease

liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

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

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

2.19. Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. 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 carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside 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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and

the same taxation authority.

2.20. Non-current assets or disposal group held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

2.21. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

2.22. Segment reporting

The Group's business operation comprises of single operating segment of manufacturing/trading of textile garments. Operating segment has been identified on the basis of nature of products and reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker ('CODM').

2.23. 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.

2.24. Cash dividend distribution to equity holders

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

2.25. Significant accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described as stated above, the Board of Directors of the Parent Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of uncertainty

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Right to recover returned goods and refund liabilities

The methodology and assumptions used to estimate expected sales return involves significant judgments by the Management. Such estimates are monitored and adjusted regularly in the light of contractual and legal obligations, historical trend and past experience. Once the uncertainty associated with the expected sales returns is resolved, revenue is adjusted accordingly.

Provision for discount

At each balance sheet date, management estimates the adequacy of provision for discounts to be given to its customers on the sales made by the Group on the basis of historical trend, past experience and discount policies.

Defined benefit plans

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

Useful lives of depreciable property, plant and equipment and intangible assets

Management reviews the useful lives of depreciable/amortisable assets at each reporting date.

As at March 31, 2024 management assessed that the useful lives represent the expected utility of the assets to the Group.

Recoverability of advances/receivables

At each balance sheet date, management assess recoverability of advances/receivables based on ageing and credit risk to determine the adequacy of allowances for doubtful receivables / advances.

2.26. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) rules as issued from time to time. There is no such notification which would have been applicable from April 01, 2024.

Notes to consolidated financial statements for the year ended March 31, 2024
(All amounts in Rs. lakhs, unless stated otherwise)

3 Property, plant and equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of		
Freehold land	4,272	3,875
Buildings	8,929	7,074
Plant and equipment	3,107	3,763
Office equipment	287	170
Furniture and fixtures	444	286
Leasehold Improvement	266	-
Vehicles	556	373
	17,862	15,541

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Furniture and fixtures	Leasehold Improvement	Vehicles	Total
Cost / Deemed Cost								
Balance at March 31, 2022	3,875	10,775	10,913	493	797	-	752	27,605
Addition	-	1,152	741	110	106	-	211	2,320
Disposal	-	-	(34)	(11)	(26)	-	(37)	(108)
Balance as at March 31, 2023	3,875	11,927	11,620	592	877	-	926	29,817
Addition	397	2,647	321	224	255	284	426	4,554
Disposal	-	(12)	(483)	(16)	(13)	-	(189)	(713)
Balance as at March 31, 2024	4,272	14,562	11,458	800	1,119	284	1,163	33,658
Accumulated depreciation								
Balance at March 31, 2022	-	4,205	6,734	361	533	-	467	12,300
Depreciation expense	-	648	1,144	70	76	-	114	2,052
Disposal	-	-	(21)	(9)	(18)	-	(28)	(76)
Balance as at March 31, 2023	-	4,853	7,857	422	591	-	553	14,276
Depreciation expense	-	788	950	106	96	18	200	2,158
Disposal	-	(8)	(456)	(15)	(13)	-	(145)	(638)
Balance as at March 31, 2024	-	5,633	8,351	513	674	18	608	15,796
Carrying amount								
Balance at March 31, 2022	3,875	6,570	4,179	132	264	-	285	15,305
Addition	-	1,152	741	110	106	-	211	2,320
Disposal	-	-	(13)	(2)	(8)	-	(9)	(32)
Depreciation expense	-	(648)	(1,144)	(70)	(76)	-	(114)	(2,052)
Balance as at March 31, 2023	3,875	7,074	3,763	170	286	-	373	15,541
Addition	397	2,647	321	224	255	284	426	4,554
Disposal	-	(4)	(27)	(1)	(1)	-	(43)	(75)
Depreciation expense	-	(788)	(950)	(106)	(96)	(18)	(200)	(2,158)
Balance as at March 31, 2024	4,272	8,929	3,107	287	444	266	556	17,862

Notes:

- i) Refer note 34 for disclosure of capital commitments for the acquisition of property, plant and equipment.
- ii) Refer note 36 for disclosure of assets held as security.
- iii) Details of immovable properties whose title deeds are not held in the name of the Company as at the balance sheet date

Description of Item of Property	Carrying Value	Period held since	Reason for not being held in the name of the Company
Land - 160 Sq yds at G. T. Road, Sherpur, Ludhiana	33	11 years	Purchased through sales agreement, however mutation of title deeds in the name of the Company is pending.
Land - 20 Sq yds at G. T. Road, Sherpur, Ludhiana	7	10 years	

Except for above, the title deeds of all immovable properties are held in the name of the Company.

4 Right-of-use assets and lease liabilities

The Company has entered into various lease agreements for acquiring space for Exclusive Brand Stores. Such lease contracts include monthly fixed payments for rentals. The lease contracts are generally cancellable at the option of lessee during the lease tenure after the completion of non-cancellable period. There are no significant restrictions imposed under the lease contracts.

The following table presents the reconciliation of changes in the carrying value of Right-of-use assets (ROU) assets for the year ended March 31, 2024 and March 31, 2023:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	11,813	7,842
Addition for new leases	5,866	6,507
Modifications	-	129
Deletions for terminated leases	(177)	(576)
Depreciation expense (recognised in Statement of Profit and Loss)	(2,805)	(2,089)
Balance as at the year end	14,697	11,813

Right-of-use asset assets are amortised from the commencement date on a straight-line basis over the lease term. The aggregate depreciation expense on Right-of-use asset assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:-

Particulars	As at March 31, 2024	As at March 31, 2023
<u>Financial liabilities at amortised cost</u>		
Non-current lease liabilities	12,852	11,118
Current lease liabilities	3,646	1,827
	16,498	12,945

The following is the movement in lease liabilities :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	12,945	8,728
Addition for new leases	5,714	6,391
Lease modifications	-	70
Impact of lease derecognised	(196)	(717)
Interest expense on lease liabilities (recognised in Statement of Profit and Loss)	1,315	945
Payment of lease liabilities (Cash outflow for leases)	(3,280)	(2,472)
Balance as at the year end	16,498	12,945

Rent expense recorded towards short term and variable lease payments amounts to Rs. 359 lakhs (Previous year: Rs. 327 Lakhs)

The maturity analysis of lease liabilities is presented in Note 39.

5 Capital work-in-progress

(a) Capital work-in-progress ageing schedule

Projects in progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2024	8	-	-	-	8
As at March 31, 2023	1,937	-	-	-	1,937

(b) There are no overdue or cost overrun projects compared to its original plan and no projects which are temporarily suspended as at March 31, 2024 and March 31, 2023.

Notes:

i) Refer note 36 for disclosure of assets held as security.

6 Intangible assets

Particulars	Software	Total
Cost / Deemed Cost		
Balance as at March 31, 2022	261	261
Addition	737	737
Disposal	-	-
Balance as at March 31, 2023	998	998
Addition	19	19
Disposal	-	-
Balance as at March 31, 2024	1,017	1,017
Accumulated depreciation		
Balance as at March 31, 2022	225	225
Depreciation expense	36	36
Disposal	-	-
Balance as at March 31, 2023	261	261
Depreciation expense	159	159
Disposal	-	-
Balance as at March 31, 2024	420	420
Carrying amount		
Balance as at March 31, 2022	36	36
Addition	737	737
Disposal	-	-
Depreciation expense	(36)	(36)
Balance as at March 31, 2023	737	737
Addition	19	19
Disposal	-	-
Depreciation expense	(159)	(159)
Balance as at March 31, 2024	597	597

7 Non-current investments

Particulars	Units as at March 31, 2024	Units as at March 31, 2023	As at March 31, 2024		As at March 31, 2023	
			Non Current	Current	Non Current	Current
Category-wise investments						
Investment in debentures/bonds			10,059	1,002	6,380	1,658
Investment in mutual funds			-	11,071	-	13,629
Investment in Fixed deposits with Non Banking Financial Companies			-	-	-	1,725
Investment in Alternative Investment funds			400	-	-	-
			10,459	12,073	6,380	17,012

7.1 Investments in debentures/bonds						
Investments carried at fair value through other comprehensive income (FVTOCI) - Quoted						
Bonds						
Bank of Baroda ASR XVI 8.15 BD Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	102	-
Canara Bank SRIII 8.50 BD Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	100	-
Indian Bank SR IV 8.44 LOA Perpetual having Face Value of Rs. 10 Lakhs each	10	10	100	-	99	-
National Highways Authority of India SRI 7.26 BD 10 AG38 having Face Value of Rs. 10 Lakhs each	30	30	314	-	301	-
Punjab National Bank SR XIV 8.50 LOA Perpetual having Face Value of Rs. 1 crore each	2	2	200	-	200	-
State Bank of India SRI 7.72 BD Perpetual having Face Value of Rs. 1 crore each	6	6	620	-	599	-
State Bank of India SR II 7.73 BD Perpetual having Face Value of Rs. 10 Lakhs each	30	30	314	-	282	-
Debentures						
Tata International Limited 9.10 LOA having Face Value of Rs. 10 Lakhs each	100	100	1,000	-	1,000	-
Tata Motors Finance Limited SR B 10 NCD 29MR29 having Face Value of Rs. 10 Lakhs each	40	40	400	-	442	-
			3,148	-	3,125	-
Investments carried at amortised cost - Quoted						
Bonds						
Government of India 11007 GOI 05DC30 8.97 having Face Value of Rs. 100 each	229,000	229,000	250	-	250	-
National Bank for agriculture and rural development SR-IIA 7.35 BD 23MR31 having Face Value of Rs. 1,000 each	20,000	20,000	223	-	223	-
Punjab National Bank SR XV, 8.75% LOA Perpetual having Face Value of Rs. 1 crore each	2	2	200	-	200	-
U.P. Power Corporation Limited SR I STRPP D 9.70 BD 31MR28 having Face Value of Rs. 10 Lakhs each	20	20	200	-	200	-
GOI Loan 2036, 7.54%	1,000,000	-	1,017	-	-	-
Debentures						
Piramal Enterprises Limited BR NCD 28JU23 having Face Value of Rs. 10 Lakhs each	-	20	-	-	-	201
Piramal Enterprises Limited SR 01 BR NCD 27MR24 having Face Value of Rs. 10 Lakhs each	-	50	-	-	-	547
Incred Financial Services Limited SR 7 BR NCD 28JL23 having Face Value of Rs. 10 Lakhs each	-	50	-	-	-	601

Shriram Finance Limited SR XXIII TR 1 BR NCD 17MY23 having Face Value of Rs. 10 Lakhs each	-	30	-	-	-	309
Adani Enterprises Limited SR B BR NCD 25AP24 having Face Value of Rs. 10 Lakhs each	30	30	-	299	299	-
A.K. Capital Finance Limited SR 1 BR NCD 26MY24 having Face Value of Rs. 10 Lakhs each	20	20	-	200	200	-
TMF Holdings Limited SR B 7.3029 NCD Perpetual having Face Value of Rs. 10 Lakhs each	50	50	478	-	478	-
Tata Capital Financial Services Limited SR A FY22-23 OPT II 7.65 NCD 29AP32 having Face Value of Rs. 10 Lakhs each	30	30	301	-	301	-
LIC Housing Finance Limited TR 421 7.90 NCD 23JU27 having Face Value of Rs. 10 Lakhs each	50	50	501	-	501	-
Motilal Oswal Finvest Limited SR I1 BR LOA 20DC24 having Face Value of Rs. 10 Lakhs each	30	30	-	301	301	-
Incred Financial Services Limited SR II 9.80 NCD 02MY25 having Face Value of Rs. 1,000 each	10,000	10,000	100	-	100	-
A.K. Capital Finance Limited MLD 2 BR NCD 27JU24 having Face Value of Rs. 10 Lakhs each	20	20	-	202	202	-
Agilemed Investments Private Limited Secured Unrated Unlisted redeemable NCD Series A having Face Value of Rs.10 Lakh each	100		978			
Hella Infra Market Pvt Ltd#10.57% SEC GRT SNR Tax NCUM RTD RED PRN PRT NCD SR 2 PP having face value of Rs. 10,000 each	7,000		663			
10% Adani Airport Holdings Ltd. Redeemable NCD Series II having face value of 1 lakh each	5,000		500			
Series A, Senior Secured, NCD unrated and unlisted (Bemco Pvt. Ltd.) having face value of Rs. 10 lakh each	50		500			
Series A, Senior Secured, NCD unrated and unlisted (Betul Wind Farms Pvt. Ltd.) having face value of Rs. 10 lakh each	100		1,000			
			6,911	1,002	3,255	1,658
			10,059	1,002	6,380	1,658
7.2 Investment in mutual funds						
Investments carried at fair value through profit or loss (FVTPL) - Quoted						
ICICI Prudential corporate bond fund - Direct Plan - Growth having face value of Rs. 10 each	5,282,959	6,999,103	-	1,485	-	1,823
ICICI Prudential banking and PSU debt fund - Direct Plan - Growth having face value of Rs. 10 each	846,178	846,178	-	260	-	241
Bandhan Regular Saving Fund-Growth-(Direct Plan) [erstwhile IDFC Regular Saving Fund-Growth-Direct Plan] having face value of Rs. 10 each	3,608,935	3,608,935	-	1,158	-	1,028

Bandhan Banking & PSU Debt Fund-Direct Plan-Growth [erstwhile IDFC Banking & PSU Debt Fund-Direct Plan-Growth] having face value of Rs. 10 each	5,360,422	6,905,621	-	1,228	-	1,475
Bandhan Corporate Bond Fund Direct Plan-Growth [erstwhile IDFC Corporate Bond Fund- Direct plan - Growth] having face value of Rs. 10 each	3,305,532	8,265,265	-	589	-	1,372
Bandhan CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth [erstwhile IDFC CRISIL IBX Gilt June 2027 Index Fund Direct Plan-Growth] having face value of Rs. 10 each	1,999,900	1,999,900	-	235	-	218
Bandhan Bond Fund-Medium Term Plan-Growth-Direct Plan [Idfc Bond Fund-Medium Term Plan-Growth-Direct Plan] having face value of Rs. 10 each	1,032,215	1,032,215	-	463	-	430
Bandhan Bond Fund-Short Term Plan-Growth-Direct Plan [erstwhile IDFC Bond Fund -Short term Plan] having face value of Rs. 10 each	1,076,466	2,150,117	-	591	-	1,097
HDFC corporate bond fund - direct plan - growth option having face value of Rs. 10 each	7,494,036	7,494,036	-	2,239	-	2,070
ICICI prudential bond fund - Direct plan - Growth having face value of Rs. 10 each	835,094	835,094	-	319	-	293
AXIS Banking & PSU Debt Fund-Direct Growth having face value of Rs. 1,000 each	-	36,034	-	-	-	825
AXIS Short Term Fund -Direct Plan-Growth having face value of Rs. 10 each	1,189,680	1,189,680	-	360	-	333
Kotak Corporate Bond Fund Direct Growth having face value of Rs. 1,000 each	27,038	27,038	-	956	-	886
SBI Dynamic Bond Fund- Direct plan-Growth option having face value of Rs. 10 each	349,170	349,170	-	123	-	112
SBI Corporate Bond Fund - Direct Plan-Growth having face value of Rs. 10 each	7,419,569	10,697,771	-	1,065	-	1,426
			-	11,071	-	13,629

7.3 Investment in Fixed deposits with Non Banking Financial Companies - at amortised cost						
Housing Development Financial Corporation Limited			-	-	-	1,725
			-	-	-	1,725

7.4 Investment in Alternative Investment Fund through profit or loss (FVTPL) - Unquoted						
A K Securitization & Credit Opportunities Fund II	780	-	390	-	-	-
UTI Structured Debt Opportunities Fund III - Class F1	9,746	-	10	-	-	-
			400	-	-	-
Total Investments			10,459	12,073	6,380	17,012

Aggregate book value of quoted investments			10,059	12,073	6,380	15,287
Aggregate market value of quoted investments			10,059	12,073	6,380	15,287
Aggregate carrying value of unquoted investments			400	-	-	1,725

Notes:

i) Refer note 36 for disclosure of assets held as security.

8 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets carried at amortised cost (Unsecured and considered good, unless otherwise stated)		
Non-Current		
Fixed deposits with banks more than 12 months maturity *	2,686	2,668
Security deposits	1,387	999
	4,073	3,667
Current		
Interest accrued but not due on fixed deposits, bonds and debentures	633	458
Others recoverable **	697	822
	1,330	1,280

* Includes Rs. 31 lakhs (March 31, 2023: Rs. 19 Lakhs) pledged against the utilisation of non fund based limits.

** Includes recoverable from commission agents and interest receivables from cutomers.

Notes:

i) Refer note 36 for disclosure of assets held as security.

9 Income tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax assets (net)		
Income tax receivable (net)	1,531	237
Current tax liabilities (net)		
Income tax payable (net)	-	1,037

10 Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured and considered good, unless otherwise stated)		
Non-Current		
Capital advances (refer note (ii) below)	1,435	831
Prepaid expenses	2	7
	1,437	838
Current		
Advances to suppliers	1,264	852
Prepaid expenses	203	40
Balances with statutory and government authorities		
- Considered good	2,054	1,449
- Considered Doubtful	9	346
Less: Allowances for doubtful balances with statutory and government authorities	(9)	(346)
Others recoverable	126	44
	3,647	2,385

Note:

- i) Refer note 36 for disclosure of assets held as security except for Capital Advances given by Subsidiary Company as mentioned in note (ii) below.
- ii) On August 10, 2022, the Subsidiary Company has entered into Memorandum of Understanding ('MOU') with J and K Industrial Park Private Limited and Kashmir Wool and Silk Textile Park Private Limited for purchase of land in Village of Logate Tehsil and District Kathua in the Union Territory of Jammu and Kashmir at a total consideration of Rs. 1,390.77 Lakhs against which Subsidiary Company has paid advance of Rs. 100.70 Lakhs (March 31, 2023 Rs. 470.41 Lakhs), out of which the Subsidiary Company has capitalised the land amounting Rs. 364.83 Lakhs.

Further, on January 4, 2023, the Subsidiary Company has entered into Memorandum of Understanding ('MOU') with J and K Industrial Park Private Limited for purchase of land in Village of Logate Tehsil and District Kathua in the UT of Jammu and Kashmir at a total consideration of Rs. 850.00 Lakhs against which Subsidiary Company has paid advance of Rs. 428.28 Lakhs (March 31, 2023 Rs. 212.5 Lakhs).

In respect of above mentioned land, Subsidiary Company has paid Rs. 26.34 Lakhs (March 31, 2023 Rs. 44.58 Lakhs) towards charges for change in land use and Rs. 23.47 Lakhs towards other charges.

11 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw materials	3,873	4,065
Work-in-progress	766	873
Finished goods	13,935	10,455
Stock-in-trade	17,582	22,661
Stores and spares	1,121	1,309
Right to recover returned goods	6,185	6,679
	43,462	46,042

Note:

- i) Refer note 36 for disclosure of assets held as security.
- ii) The cost of inventories recognised as an expense during the year in respect of continuing operations was Rs. 81,090 Lakhs (previous year Rs. 79,714 Lakhs).
- iii) The cost of inventories recognised as an expense includes Rs. 111 Lakhs (previous year Rs. 103 Lakhs) in respect of write-downs of inventory to net realisable value.

12 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from related parties (Refer Note 42)		
- Unsecured, considered good	-	72
Receivable from others		
- Unsecured considered good	37,008	37,946
- Significant increase in Credit risk	581	398
Less:- Allowances for doubtful trade receivables	(581)	(398)
	37,008	38,018

Notes:

i) Trade Receivables ageing schedule

Particulars	Undisputed Trade receivables			Allowances for doubtful trade receivables	Net Balance at year end
	Considered good	Significant increase in credit risk	Total		
Ageing of Receivables from due date of payment as at March 31, 2024					
Not Due	13,660	-	13,660	-	13,660
Less than 6 months	22,395	-	22,395	-	22,395
6 months to 1 year	809	-	809	-	809
1 to 2 years	144	265	409	265	144
2 to 3 years	-	134	134	134	-
More than 3 years	-	182	182	182	-
	37,008	581	37,589	581	37,008
Ageing of Receivables from due date of payment as at March 31, 2023					
Not Due	14,179	-	14,179	-	14,179
Less than 6 months	21,616	-	21,616	-	21,616
6 months to 1 year	1,773	-	1,773	-	1,773
1 to 2 years	350	14	364	14	350
2 to 3 years	95	25	120	25	95
More than 3 years	5	359	364	359	5
	38,018	398	38,416	398	38,018

- ii) The Company has used a practical expedient for the purpose of computing lifetime expected credit loss allowance for trade receivables which is based on historical credit loss experience and adjustments for forward looking information. The Company follows "simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ELCs at each reporting date, right from its recognition.

The movement in allowance for lifetime expected credit loss on customer balances is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	398	75
Add: Allowance provided during the year	313	323
Less: Amount written off during the year	130	-
Balance at the end of the year	581	398

- iii) Refer note 36 for disclosure of assets held as security.

13 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	56	42
Cheques on hand	-	18
Balance with banks in current account	92	111
	148	171

14 Bank balances other than cash and cash equivalents

Particulars	As at	
	March 31, 2024	March 31, 2023
Unclaimed dividend accounts (earmarked)	22	21
Deposits with banks with original maturity of more than three months but less than twelve months from the date of Balance Sheet (Refer note i below)	650	1,277
	672	1,298

Notes:

i) Includes Rs. 6 lakhs (March 31, 2023: Rs. 97 lakhs) pledged against the utilisation of non fund based limits.

ii) Refer note 36 for disclosure of assets held as security.

15 Loans

Particulars	As at	
	March 31, 2024	March 31, 2023
Financial assets carried at amortised cost (Unsecured and considered good, unless otherwise stated)		
Current		
Loan to employees	61	60
	61	60

16 Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity shares of Rs. 10 each with voting rights	25,000,000	2,500	25,000,000	2,500
	25,000,000	2,500	25,000,000	2,500
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	20,732,064	2,073	20,732,064	2,073
	20,732,064	2,073	20,732,064	2,073

Notes:

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares with voting rights				
Shares outstanding at the beginning of the year	20,732,064	2,073	20,732,064	2,073
Movement during the year	-	-	-	-
Shares outstanding at the end of the year	20,732,064	2,073	20,732,064	2,073

ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

iii) Details of shares held by the holding Company

There is no Holding / Ultimate Holding Company of the Company.

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Girnar Investments Limited	6,644,656	32.05%	6,644,656	32.05%
Nagdevi Trading and Investment Company Limited	5,007,192	24.15%	5,007,192	24.15%
Nahar Capital and Financial Services Limited	1,651,215	7.96%	1,651,215	7.96%
	13,303,063	64.17%	13,303,063	64.17%

v) Details of Shares held by promoters at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Girnar Investment Ltd	6,644,656	32.05%	6,644,656	32.05%	0.00%
Nagdevi Trading and Investment Company Limited	5,007,192	24.15%	5,007,192	24.15%	0.00%
Nahar Capital and Financial Services Limited	1,651,215	7.96%	1,651,215	7.96%	0.00%
Monica Oswal	515,837	2.49%	515,837	2.49%	0.00%
Ruchika Oswal	515,838	2.49%	515,838	2.49%	0.00%
Vanaik Investors Ltd.	409,273	1.97%	409,273	1.97%	0.00%
Jawahar Lal Oswal	105,059	0.51%	115,059	0.55%	-0.05%
Abhilash Oswal	102,583	0.49%	102,583	0.49%	0.00%
Oswal Woolen Mills Ltd.	75,642	0.36%	75,642	0.36%	0.00%
Atam Vallabh Financiers Ltd.	67,106	0.32%	67,106	0.32%	0.00%
Vardhman Investments Ltd.	49,718	0.24%	49,718	0.24%	0.00%
Abhinav Oswal	10,500	0.05%	500	0.00%	0.05%
Rishabh Oswal	10,500	0.05%	10,500	0.05%	0.00%
Kamal Oswal	1,000	0.00%	1,000	0.00%	0.00%
Dinesh Oswal	1,000	0.00%	1,000	0.00%	0.00%
Sambhav Oswal	500	0.00%	500	0.00%	0.00%
Tanvi Oswal	500	0.00%	500	0.00%	0.00%
Manisha Oswal	500	0.00%	500	0.00%	0.00%
Ritu Oswal	500	0.00%	500	0.00%	0.00%
Sanjana Oswal	500	0.00%	500	0.00%	0.00%

vi) The Company has not issued any share pursuant to a contract without payment being received in cash in the current year and preceding five years. The Company has not issued any bonus shares in the current year and preceding five years.

17 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserve and surplus		
Capital reserve*	0	0
Capital redemption reserve	100	100
Securities premium	7,470	7,470
General reserve	38,087	38,087
Retained earnings	31,782	29,934
Other comprehensive income		
Debt instruments through OCI	(31)	(24)
	77,408	75,567

* Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

Notes:

i) Capital reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year *	0	0
Add/Less: Movement during the year	-	-
Balance at the end of the year	0	0

* Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

The reserve comprises profits/gains of capital nature earned by the Company and credited directly to such reserve. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

ii) Capital redemption reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	100	100
Add/Less: Movement during the year	-	-
Balance at the end of the year	100	100

Capital redemption reserve is a reserve created on buy-back of equity shares in accordance with section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

iii) Securities premium

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	7,470	7,470
Add/Less: Movement during the year	-	-
Balance at the end of the year	7,470	7,470

Securities premium comprises the premium on issue of shares and is utilised in accordance with the specific provision of the Companies Act, 2013.

iv) General reserve

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	38,087	38,087
Add/Less: Movement during the year	-	-
Balance at the end of the year	38,087	38,087

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

v) Retained earnings

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	29,934	20,998
Add: Profit for the year	5,994	13,252
Add: Remeasurement of defined benefit obligations (net of tax)	1	(171)
Less: Payment of dividend on equity shares (Refer note 40)	(4,147)	(4,145)
Balance at the end of the year	31,781	29,934

Retained earnings refer to net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.

vi) Other comprehensive income - Debt instruments through OCI

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	(24)	(6)
Add: Fair valuation of investment in perpetual bonds (net of tax)	(7)	(18)
Balance at the end of the year	(31)	(24)

This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments, if any.

18 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Term loans from bank (Secured - at amortised cost)*	270	600
Less: Current maturities	(270)	(330)
	-	270
Current		
Cash credits/working capital loans from banks (Secured - at amortised cost) #	14,987	12,893
Current maturities of term loan from banks (Secured - at amortised cost)*	270	330
Other Borrowings (Bill Discounting) (Unsecured)	6,442	6,706
	21,699	19,929

*Term loan from bank are secured by primary charge on machinery being procured, with Second pari-passu charge on property situated at Sherpur Kalan, GT Road, Ludhiana measuring 14,278 sq. yards. The loan carries interest rate of 3.75% above repo rate. The loan is repayable in 3 quarterly instalments of Rs. 83 lakhs each with last instalment of Rs. 21 lakhs payable on March 12, 2025.

Refer note 36 for disclosure of assets held as security.

19 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortised cost		
Non-Current		
Security deposits from customers	3,840	3,079
	3,840	3,079
Current		
Interest accrued but not due on borrowings	52	27
Interest payable to others	119	117
Payables for purchase of property, plant and equipment and intangible assets	172	402
Security deposits from customers	-	5
Unpaid dividend *	21	21
Employee related payables**	1,128	1,250
	1,492	1,822

* Unpaid dividend do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund.

** Includes Rs. 67 Lakhs (previous year Rs. 471 Lakhs) payable to related parties (Refer Note 42).

20 Other non-current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Deferred income from government grant	392	438
Refund liability for expected sales return	2,491	2,638
	2,883	3,076
Current		
Statutory remittances*	450	471
Deferred income from government grant	46	46
Refund liability for expected sales return	8,755	7,596
Advance from customers (Contract Liabilities)	1,100	1,029
Gratuity liability (funded) (refer note 37)	137	191
	10,488	9,333

* Statutory remittances includes contribution to provident fund and employee state insurance corporation, tax deducted/collected at source etc.

21 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Provision for employee benefits :		
- Leave	122	89
	122	89

Current		
Provision for employee benefits :		
- Leave	13	9
Other provision :		
Provision for discount	944	1,014
	957	1,023

Movement in other provisions	Provision for discount
Balance as at March 31, 2022	666
Add: Provision recognised during the year	1,014
Less: Utilised / Reversed during the year	(666)
Balance as at March 31, 2023	1,014
Add: Provision recognised during the year	944
Less: Utilised / Reversed during the year	(1,014)
Balance as at March 31, 2024	944

22 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	3,428	84
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related Parties	2,520	3,673
- Others	8,200	15,642
	10,720	19,315
	14,148	19,399

Notes:

i) Ageing of trade payables

	As at March 31, 2024		As at March 31, 2023	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Not Due	2,927	6,249	65	11,209
Less than 1 year	417	2,098	19	5,632
1 to 2 years	84	9	-	149
2 to 3 years	-	12	-	11
More than 3 years	-	1	-	34
Others - Accruals	-	2,351	-	2,280
	3,428	10,720	84	19,315

ii) Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Amounts payable to suppliers under MSME Development Act, 2006 (suppliers) as at year end		
- Principal	3,104	84
- Interest due thereon *	-	0

b) Payments made to suppliers beyond the appointed day during the year		
- Principal	14,273	287
- Interest due thereon	240	5
c) Amount of Interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under MSME Development Act, 2006	-	-
d) Amount of interest accrued and remaining unpaid as at year end	324	84

* Balance is less than Rs 1 Lakh, accordingly appearing as Nil.

23 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (refer note 44)	106,056	111,597
Other operating revenue		
Insurance recovered from customers	87	129
Government grants	48	45
	106,191	111,771

24 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income		
from banks	340	253
others	1,223	932
Other non-operating income (net of expenses directly attributable to such income).		
Foreign exchange fluctuation gain (net)	-	39
Profit on derecognition of lease contract	-	193
Profit on sale of property, plant and equipment (net)	20	2
Profit on sale of investments measured at FVTPL	130	12
Fair valuation gain of investments measured at FVTPL	876	556
Others	161	96
	2,750	2,083

25 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock of raw materials	4,065	3,453
Add: Purchases of raw materials during the year	11,491	14,559
	15,556	18,012
Less: Closing stock of raw materials	(3,873)	(4,065)
	11,683	13,947

26 Purchases of stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases of stock-in-trade	47,127	61,493
	47,127	61,493

27 Changes in inventories of finished goods, work-in-process and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Work-in-process	873	1,026
Finished goods	10,455	13,265
Stock-in-trade	22,661	6,550
Right to recover returned goods	6,679	3,670
	40,668	24,511
Inventories at the end of the year		
Work-in-process	766	873
Finished goods	13,935	10,455
Stock-in-trade	17,582	22,661
Right to recover returned goods	6,185	6,679
	38,468	40,668
	2,199	(16,157)

28 Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus	9,442	8,664
Contribution to provident fund and other funds (refer note 37)	694	580
Staff welfare expenses	477	417
	10,613	9,661

29 Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Costs:		
Borrowings	1,653	1,254
Lease liabilities	1,315	945
Others	780	246
	3,748	2,445

30 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	2,158	2,052
Amortisation of intangible assets	159	36
Depreciation of Right-of-use assets	2,805	2,089
	5,122	4,177

31 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spares parts	3,986	4,336
Processing charges	1,852	1,985
Commission on sale	3,866	3,338
Freight and forwarding expenses	2,153	1,960
Advertisement and Business Promotion expenses	3,458	4,657
Power and fuel	687	653
Rent	359	327

Repairs to		
Buildings	106	88
Plant and machinery	179	127
Others	831	849
Insurance	176	195
Legal and professional expenses [refer note (i) below]	330	197
Rates and taxes	51	51
Travelling and conveyance	707	645
Provision for doubtful receivables	313	500
Amounts written off	2	21
Communication expenses	38	48
Corporate social responsibility expenses (refer note 38)	269	219
Loss on sale of property, plant and equipment (net)	-	-
Charity and Donation	-	100
Bank charges	184	189
Interest Paid on Income Tax U/S 234(A)(B)	64	-
Miscellaneous expenses	771	582
	20,382	21,067

Notes:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Legal and professional expenses includes payment to auditors		
As auditor:		
Audit fee	24	20
Limited reviews *	14	13
Tax audit fee	2	2
Reimbursement of expenses #	9	3
	49	38

* Includes Rs. 4 lakhs paid to predecessor auditors in previous year

Includes Rs. 1 lakh paid to predecessor auditors in previous year

32.1 Income tax recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	2,510	5,163
In respect of prior years	(123)	(323)
	2,387	4,840
Deferred tax		
In respect of the current year	(314)	(693)
In respect of prior years	-	(178)
	(314)	(871)
Total income tax expense recognised in the current year	2,073	3,969

The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	8,067	17,221
Tax at the Indian Tax Rate of 25.17% (previous year 25.17%)	2,030	4,334

Non-deductible differences	130	92
Other adjustments	36	38
	2,196	4,464
Adjustments related to the current tax and deferred tax of prior years	(123)	(501)
Income tax expense recognised in the statement of profit and loss	2,073	3,963

The tax rate used for the current year reconciliation above is the corporate tax rate of 25.17% (previous year 25.17%) payable by corporate entities in India on taxable profits as the Income Tax Act, 1961.

32.2 Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax assets/(liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Re-measurement gain / (loss) on defined benefit obligations	-	58
Net fair value loss on investment in perpetual bonds	2	6
Total income tax recognised in other comprehensive income	2	64
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	2	64
	2	64

33 Movement in deferred tax balances

Movement of deferred tax assets/(liabilities) for the year ended March 31, 2024

Particulars	As at March 31, 2023	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2024
Deferred tax assets				
Property, plant and equipment and Intangible assets	364	(34)	-	330
Refund liabilities (net of right to receive goods)	895	439	-	1,334
Provision for discount	255	(15)	-	240
Right of use assets	330	184	-	514
Provision for employee benefits - Gratuity, leave, bonus etc.	163	6	-	169
Provision for doubtful receivables	187	(38)	-	149
Provision for Obsolescence of inventory	26	-	-	26
Fair valuation of Investments in Mutual Funds, Bonds and debentures	116	(240)	2	(122)
Others	12	-	-	12
	2,348	302	2	2,652

Deferred tax liabilities				
Deferred income from government grant	122	(12)	-	110
Others	-	-	-	-
	122	(12)	-	110
Net deferred tax assets/(liabilities)	2,226	314	2	2,542

Movement of deferred tax assets/(liabilities) for the year ended March 31, 2023

Particulars	As at March 31, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
Deferred tax assets				
Property, plant and equipment and Intangible assets	426	(62)	-	364
Refund liabilities (net of right to receive goods)	493	402	-	895
Provision for discount	168	87	-	255
Right of use assets	119	211	-	330
Provision for employee benefits - Gratuity, leave, bonus etc.	43	62	58	163
Provision for doubtful receivables	61	126	-	187
Provision for Obsolescence of inventory	-	26	-	26
Fair valuation of Investments	99	11	6	116
Others	1	11	-	12
	1,410	874	64	2,348
Deferred tax liabilities				
Deferred income from government grant	75	47	-	122
Others	44	(44)	-	-
	119	3	-	122
Net deferred tax assets/(liabilities)	1,291	871	64	2,226

Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Particulars	As at March 31, 2024	As at March 31, 2023
A. Contingent Liabilities (for pending litigations)		
- Claims against the Company not acknowledged as debts	-	-
B. Commitments		
- Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for (Refer note i below)	4,228	44

Notes:

- i) Apart from the commitments disclosed above, the Company has no financial commitments other than those in the nature of regular business operations.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

35 Earnings per share ('EPS')

The earnings per share (EPS) disclosed in the Statement of Profit and Loss have been calculated as under:

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year as per Statement of Profit and Loss (Rs. in Lakhs)	(A)	5,994	13,252
Weighted average number of equity shares of Rs. 10 each (number)	(B)		
Basic		20,732,064	20,732,064
Diluted		20,732,064	20,732,064
Earnings per share [Face value of Rs. 10 each]	(A/B)		
Basic (Rs.)		28.91	63.92
Diluted (Rs.)		28.91	63.92

36 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current assets		
First/Floating /Equitable Charge		
Property, plant and equipment	17,862	15,541
Capital work-in-progress	8	1,937
Total non-current assets pledged as security	17,870	17,478
Current assets		
Floating charge		
Inventories	43,462	46,042
Financial assets	51,292	57,839
Other current assets	3,647	2,385
Total current assets pledged as security	98,401	106,266

Note-1

Primary Charge

- First pari-passu charge on the all current assets of the Company (present and future).
- First Charge / Exclusive Charge on the Company's entire present and future fixed assets of the Company including equitable mortgage of properties as follows:
 - (1) Plot No. 231, measuring 4,880 sq. yards at Industrial Area A, Ludhiana. (Sale deed no. 2640 dated 20 September 1956).
 - (2) Plot No. 232, measuring 4,095 sq. yards at Industrial Area A, Ludhiana (Sale deed no. 2135 dated 07 September 1964).
 - (3) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).

- (4) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 14721 dated 14 January 1986).
- (5) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 15516 dated 27 January 1986).
- (6) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 14722 dated 14 January 1986).
- (7) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 15517 dated 27 January 1986).

Note-2**Primary Charge**

- First charge created on mutual funds and first pari-passu charge created on current assets (present & Future)
- Second Parri Passu Charge over the following properties:
 - (1) Plot No. 231, measuring 4,880 sq. yards at Industrial Area A, Ludhiana. (Sale deed no. 2640 dated 20 September 1956).
 - (2) Plot No. 232, measuring 4,095 sq. yards at Industrial Area A, Ludhiana (Sale deed no. 2135 dated 07 September 1964).
 - (3) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).
 - (4) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 14721 dated 14 January 1986).
 - (5) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 117.50 sq. yards (Sale deed no. 15516 dated 27 January 1986).
 - (6) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 14722 dated 14 January 1986).
 - (7) Part of Plot No. 172 bearing M.C. No. B-XXIII-66/1 in Industrial Area-A, Ludhiana measuring 125 sq. yards (Sale deed no. 15517 dated 27 January 1986).

Note-3**Primary Charge**

- First charge on the all current assets of the Company (present and future).
- Second pari-passu charge on the property as follows:
 - (1) Land measuring 14,278 sq. yards at Sherpur Kalan, GT Road, Ludhiana (Sale deed no. 14397 dated 13 October 2011).

Note-4**Primary Charge**

- Residual charge over the current assets and Movable Fixed Assets of the Borrower, both present and future

37 Employee Benefits**Defined Contribution Plan**

The Company's contribution to Provident Fund for the year ended March 31, 2024 Rs. 484 Lakhs (for the year ended March 31, 2023: Rs. 428 Lakhs) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

Defined Benefit Plan**Gratuity**

- a) The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a funded plan and the Company makes contributions of funds to Life Insurance Corporation of India and Kotak Life Insurance.

- b) This plan typically exposes the Company to actuarial risks such as: interest rate risk, Salary Escalation risk, Demographic risk and Investment risk.

Interest rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

Demographic risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Investment risk:

This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. LIC of India primarily invests in debt instruments such as Government securities and highly rated corporate bonds wherein the risk of downward fluctuation in value is minimal.

c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purpose of the actuarial valuation were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.09%	7.31%
Expected rate of salary increase	9.00%	9.00%
Expected return on plan assets	7.09%	7.31%
Mortality table used	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	8.00%	8.00%
Retirement age	62 years	62 years

The discount rate is determined by reference to market yields at the balance sheet date on Govt. bonds. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

The estimates of future salary increase considered, takes into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

- d) The following tables sets out the status of the defined benefit scheme in respect of gratuity and amount recognised in the financial statements:

I. Components of Net Benefit Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Current Service Cost	175	149
2. Net Interest (Income)	13	(7)
3. Total expense/(gain) recognised in the Statement of Profit and Loss	188	142
Re-measurements recognised in Other Comprehensive Income		
4. Effect of changes in financial assumptions	35	189
5. Effect of Change in demographic assumptions	-	22
6. Effect of experience adjustments	(3)	5
7. Return on plan assets (greater)/less than discount rate	(23)	13
8. Total loss/(gain) of re-measurements included in OCI	9	229

The current service cost and the net interest (Income for the year are included in Note 28 "Employee Benefits Expense" under the head "Salaries and Wages".

II. Change in present value of defined benefit obligation

	As at March 31, 2024	As at March 31, 2023
1. Present Value of defined benefit obligation at the beginning of the year	1,890	1,453
2. Current Service Cost	175	149
3. Interest Cost	137	112
Remeasurement gains / (losses):		
4. Effect of changes in financial assumptions	35	189
5. Effect of Change in demographic assumptions	-	22
6. Effect of experience adjustments	(3)	5
7. Benefits Paid	(78)	(40)
8. Present Value of defined benefit obligation at the end of the year	2,156	1,890

III. Change in fair value of Plan assets

	As at March 31, 2024	As at March 31, 2023
1. Fair value of Plan assets at the beginning of the year	1,699	1,583
2. Interest income on plan assets	124	119
3. Employer contributions	251	50
4. Return on plan assets greater /(lesser) than discount rate	23	(13)
5. Benefits paid	(78)	(40)
6. Fair value of assets at end of the year	2,019	1,699

IV. Net Asset / (Liability) recognised in Balance Sheet

	As at March 31, 2024	As at March 31, 2023
1. Present value of funded defined benefit obligation	(2,156)	(1,890)
2. Fair Value of Plan Assets	2,019	1,699
Net Defined Benefit Asset/(Liability) Recognised in Balance sheet	(137)	(191)

V. Sensitivity Analysis - Impact on defined benefit obligation

	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Discount Rate + 50 basis points	(79)	(70)
2. Discount Rate - 50 basis points	84	75
3. Salary Escalation Rate + 50 basis points	69	62
4. Salary Escalation Rate - 50 basis points	(67)	(60)

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

VI. The following benefit payments (undiscounted) are expected in future years:

	As at March 31, 2024	As at March 31, 2023
Upto 1 year	277	220
1-2 years	200	157
2-3 years	187	179
3-4 years	182	172
4-5 years	169	162
Above 5 years	977	836

VI. Category of plan assets

	As at March 31, 2024	As at March 31, 2023
LIC of India - Group Gratuity Cash Accumulation Fund	91%	90%
Kotak Gratuity Group Plan (UIN - 107L010V07)	9%	10%

VII. Expected contribution

The expected employer contribution for the next year is Rs. 331 Lakhs (Previous year Rs. 366 Lakhs).

38 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act.

	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Amount required to be spent by the Company during the year	269	219
b. Amount of expenditure incurred	269	219
c. Shortfall at the end of the year (a-b)	-	-
d. Total of previous years shortfall	-	-
e. Nature of CSR activities		Preventing Healthcare
f. <u>Details of related party transactions:</u> - Oswal Foundation*	269	219
g. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

There are no ongoing projects under Section 135(6) of the Act during the current year and previous year.

39 Financial Instruments

(a) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised cost #	FVTPL	FVOCI	Amortised cost #
Financial assets						
Investments	11,471	3,148	7,913	13,629	3,125	6,638
Trade receivables	-	-	37,008	-	-	38,018
Cash and cash equivalents	-	-	148	-	-	171
Other bank balances	-	-	672	-	-	1,298
Loans	-	-	61	-	-	60
Other financial assets	-	-	5,403	-	-	4,947
Total	11,471	3,148	51,205	13,629	3,125	51,132

Financial liabilities						
Borrowings	-	-	21,699	-	-	20,199
Trade payables	-	-	14,148	-	-	19,399
Lease liabilities	-	-	16,498	-	-	12,945
Other financial liabilities	-	-	5,332	-	-	4,901
Total	-	-	57,677	-	-	57,444

Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in Mutual Funds	11,071	-	-	11,071
Investments in debentures and bonds	3,148	-	-	3,148
Investments in Alternate Investment Fund	400	-	-	400
	14,619	-	-	14,619

	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
Investments in Mutual Funds	13,629	-	-	13,629
Investments in debentures and bonds	3,125	-	-	3,125
	16,754	-	-	16,754

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The Fair value of mutual funds, bonds and debentures is based on the net asset value (NAV) as stated by the Asset management Company (AMC) as at the Balance sheet date.

c) Financial risk management

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include Investment, trade receivables, cash and cash equivalents, Other bank balances and Other financial asstets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure

and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, price risk.

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and JPY. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and hence the Company does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

Foreign currency risk exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of year expressed in INR Lakhs are as follows:

	As at March 31, 2024		As at March 31, 2023	
	USD	JPY	USD	JPY
Trade payables	-	-	-	3

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the Rs. against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans. A positive number below indicates an increase in profit or equity and vice-versa.

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Rs. strengthens by 5%	Rs. weakening by 5%	Rs. strengthens by 5%	Rs. weakening by 5%
Impact on profit or loss for the year				
USD impact *	-	-	-	-
JPY impact #	-	-	(0)	0

Previous year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company carries borrowings primarily at variable rate.

	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	21,699	20,199
Total borrowings	21,699	20,199

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Impact on profit or loss for the year ended	
	March 31, 2024	March 31, 2023
Decrease by 50 bps	108	101
Increase by 50 bps	(108)	(101)

Price risk

The Company's exposure to price risk arises from investments in mutual funds, bonds and debentures held by the Company and measured at fair value. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Price sensitivity

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Increase in NAV by 5%	Decrease in NAV by 5%	Increase in NAV by 5%	Decrease in NAV by 5%
Impact on profit or loss for the year				
Investments in mutual funds	574	(574)	681	(681)
Impact on Other comprehensive income for the year				
Investments in bonds / debentures	157	(157)	156	(156)

(ii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables and loans and advances. None of the financial instruments of the Company results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	As at March 31, 2024	As at March 31, 2023
Trade receivables	581	398

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from domestic banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

Maturities of financial liabilities

The table below analyses the Company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

Particulars	0-1 Years	1 to 2 years	2 to 5 years	More than 5 years	Total
Year ended March 31, 2024					
Borrowings	21,699	-	-	-	21,699
Other financial liabilities	1,492	-	-	3,840	5,332
Trade payables	14,148	-	-	-	14,148
Lease liabilities	3,646	3,541	8,864	5,435	21,486
Total	40,985	3,541	8,864	9,275	62,665
Year ended March 31, 2023					
Borrowings	19,929	270	-	-	20,199
Other financial liabilities	1,817	-	-	3,079	4,896
Trade payables	19,398	-	-	-	19,398
Lease liabilities	2,927	2,782	6,860	4,730	17,299
Total	44,071	3,052	6,860	7,809	61,792

40 Dividend distribution made and proposed

	As at March 31, 2024	As at March 31, 2023
Equity shares		
Final dividend for the year ended March 31, 2023 of Rs. 20 per share (for the year ended March 31, 2022 of Rs. 20 per share)	4,147	4,145
	4,147	4,145

Dividends not recognised at the end of the reporting period

The Board of Directors of Company have proposed the final dividend of Rs. 20 per share for the year ended March 31, 2024. The proposed final dividend is subject to approval of the members at the ensuing Annual General Meeting. The amount of such dividend proposed is in accordance with section 123 of Companies Act, 2013.

41 Capital management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurates with the level of risk. The capital structure of the Company consists of net debt (borrowings net of cash and cash equivalents) and total equity of the Company.

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board monitors capital using capital gearing ratio, which is net debt divided by total capital plus net debt.

	As at March 31, 2024	As at March 31, 2023
Borrowings	21,699	20,199
Less: Cash and cash equivalents	148	171
Less: Other bank balances	672	1,298
Net debt (a)	20,879	18,730
Equity (b)	79,480	77,640
Capital and net debt (c) [(a) + (b)]	100,359	96,370
Gearing ratio [(a) / (c)]	21%	19%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current and previous year. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

42 Related party disclosure

a) Description of related parties

Nature of relationship	Name of related party
(i) Key management personnel	Jawahar Lal Oswal (Chairman and Managing Director) Sandeep Jain (Executive Director) Monica Oswal (Executive Director) Ruchika Oswal (Executive Director) Rishabh Oswal (Executive Director) Dinesh Gogna (Director) Suresh Kumar Singla (Independent Director) Manisha Gupta (Independent Director) Alok Kumar Misra (Independent Director) Roshan Lal Behl (Independent Director) Manikant Prasad Singh (Independent Director) Parvinder Singh Pruthi (Independent Director) Raj Kapoor Sharma (Chief Financial Officer) Ankur Gauba (Company Secretary)
(ii) Enterprises over which key management personnel and their relatives are able to exercise significant influence (with whom transaction have taken place)	Cotton County Retail Limited Nahar Industrial Enterprises Limited Nahar Spinning Mills Limited Oswal Woollen Mills Limited Oswal Foundation Mohan Dai Oswal Cancer Treatment & Research Foundation
(iii) Enterprises having significant influence on the Company	Girnar Investments Limited Nagdevi Trading and Investment Company Limited
(iv) Relative of Key management personnel	Sidhant Jain (Director in Subsidiary)

(b) Transactions with related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Spinning Mills Limited	520	501
Nahar Industrial Enterprises Limited	3	9
Oswal Woollen Mills Limited	22	32
Mohan Dai Oswal Cancer Treatment & Research Foundation	2	4
Oswal Foundation #	-	0
	547	546

Sales returns

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Oswal Woollen Mills Limited *#	0	0
Nahar Spinning Mills Limited	14	3
Nahar Industrial Enterprises Limited *	0	-
Mohan Dai Oswal Cancer Treatment & Research Foundation	-	-
	14	3

Purchase of goods

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Nahar Spinning Mills Limited	1,645	3,385
Nahar Industrial Enterprises Limited	359	682
Oswal Woollen Mills Limited	6,339	7,059
	8,343	11,126

Purchase of property, plant and equipment

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Nahar Industrial Enterprises Limited	2	-
Cotton County Retail Limited	-	11
Oswal Woollen Mills Limited	11	1
Nahar Spinning Mills Limited	-	6
Mohan Dai Oswal Cancer Treatment & Research Foundation *	0	-
	13	18

Sale of property, plant and equipment

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Nahar Industrial Enterprises Limited	75	-
	75	-

Purchase return

Enterprises over which key management personnel and their relatives are able to exercise significant influence

Oswal Woollen Mills Limited	64	-
Nahar Industrial Enterprises Limited #	6	0
	70	0

Sitting Fees Paid

Key management personnel

Dinesh Gogna	1	1
Parvinder Singh Pruthi	1	1
Manikant Prasad Singh	1	1
Manisha Gupta	1	1
Suresh Kumar Singla	1	1
Alok Kumar Misra	1	1
Roshan Lal Behl	1	1
	7	7

Remuneration Paid @		
Key management personnel		
Jawahar Lal Oswal	670	680
Sandeep Jain	242	239
Monica Oswal	86	101
Ruchika Oswal	86	89
Rishabh Oswal	185	157
Sidhant Jain	13	-
Raj Kapoor Sharma	31	29
Ankur Gauba	12	11
	1,325	1,306
Rent received		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Spinning Mills Limited	7	7
Rent paid		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Spinning Mills Limited	99	94
Nahar Industrial Enterprises Limited	257	199
Oswal Woollen Mills Limited	139	143
	495	436
Processing charges paid		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Spinning Mills Limited	114	149
Oswal Woollen Mills Limited	3	3
Nahar Industrial Enterprises Limited	-	-
	117	152
Reimbursement of expenses paid		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Industrial Enterprises Limited	157	196
Nahar Spinning Mills Limited	258	57
Sidhant Jain	7	-
Oswal Woollen Mills Limited	37	511
Mohan Dai Oswal Cancer Treatment & Research Foundation	-	-
Oswal Foundation #	-	0
	460	763
Reimbursement of expenses received		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Industrial Enterprises Limited #	28	0
Oswal Woollen Mills Limited	3	12
	30	12
Contribution made to the fund (CSR activities)		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Oswal Foundation	269	219

(c) **Outstanding Balances:**

	As at March 31, 2024	As at March 31, 2023
Trade payables		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Spinning Mills Limited	398	1,054
Nahar Industrial Enterprises Limited	181	292
Cotton County Retail Limited	-	13
Oswal Woollen Mills Limited	1,941	2,314
	2,520	3,673
Advances to suppliers		
Trade receivable		
Enterprises over which key management personnel and their relatives are able to exercise significant influence		
Nahar Industrial Enterprises Limited	-	5
Mohan Dai Oswal Cancer Treatment & Research Foundation #	-	0
Oswal Woollen Mills Limited	-	8
Nahar Spinning Mills Limited	-	59
	-	72
Remuneration payable		
Key management personnel		
Jawahar Lal Oswal	20	401
Sandeep Jain	16	27
Monica Oswal	8	10
Ruchika Oswal	4	10
Rishabh Oswal	16	19
Raj Kapoor Sharma	2	3
Ankur Gauba	1	1
	67	471

* Current year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

Previous year amount is less than Rs 1 Lakh, accordingly appearing as Nil.

@ Gratuity and leave benefits which are actuarially determined on an overall basis are not separately disclosed.

43 Group Information

a) Monte Carlo Fashions Limited has one subsidiary, details are as given below:

Name of the Company	Principal activities	Country of Incorporation	Percentage of ownership interest	
			As at March 31, 2024	As at March 31, 2023
1. Monte Carlo Home Textiles Limited	Manufacture of Home textiles	India	100%	100%

b) Additional information as required under Schedule III to the Companies Act, 2013 on the entities which are included in the Consolidated Financial Statements:

For the year ended March 31, 2024

Name of the Entities in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Monte Carlo Fashions Limited	100%	79,622	102%	6,101	100%	(6)	102%	6,095
Subsidiary								
Monte Carlo Home Textiles Limited	2%	1,428	-2%	(107)	0%	-	-2%	(107)
Intercompany eliminations and consolidation adjustments	-2%	(1,570)	0%	-	0%	-	0%	-
Total	100%	79,480	100%	5,994	100%	(6)	100%	5,988

For the year ended March 31, 2023

Name of the Entities in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Monte Carlo Fashions Limited	100%	77,676	100%	13,274	100%	(189)	100%	13,085
Subsidiary								
Monte Carlo Home Textiles Limited	1%	834	0%	(26)	0%	-	0%	(26)
Intercompany eliminations and consolidation adjustments	-1%	(870)	0%	4	0%	-	0%	4
Total	100%	77,640	100%	13,252	100%	(189)		13,063

44 Revenue from contracts with customers (Ind AS 115)

The Company is in the business of manufacturing and trading of textile garments which are considered to be homogeneous products.

a) Reconciliation of revenue recognised in Statement of Profit and Loss with contract price

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross sale of products	142,192	140,635
Less: Adjustment on account of sales return	(22,599)	(17,790)
Less: Adjustment on account of discounts	(13,537)	(11,248)
	106,056	111,597

b) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical segment

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from sale of products customers within India	105,902	111,548
Revenue from sale of products customers outside India	154	49
Revenue as per the Standalone Statement of Profit and Loss	106,056	111,597

c) Contract balances:

Particulars	As at March 31, 2024	As at March 31, 2023
Contract assets		
Trade receivables (refer note 12)	37,008	38,018
Right to recover returned goods (refer note 11)	6,185	6,679
	43,193	44,697
Contract Liabilities		
Advance from customers (refer note 20)	1,100	1,029
Refund liability (refer note 20)	11,246	10,234
	12,346	11,263

d) Revenue recognised in relation to contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
a. Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	1,029	1,064
b. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-

45 Segment information

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director has been identified as being the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, there are no separate reportable business segments as per Ind AS 108 "Operating Segments". The Company operates in one reportable business segment, i.e. manufacturing and trading of textile garments and is primarily operating in India and hence, considered as single geographical segment. The sale of Company's products is seasonal.

Entity wide disclosures:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations		
- Domestic	105,902	111,548
- Overseas	154	49
	106,056	111,597
Non Current Segment Assets		
-Within India	53,206	43,376
-Outside India	-	-
	53,206	43,376

Domestic information includes sales to customers located in India.

Overseas information includes sales to customers located outside India.

Non-current segment assets mainly includes Property, plant and equipment, Right-of-use assets, Investments, tax assets and Other non-current assets.

No single customer contributed 10% or more to the Company's revenue for both the financial years 2023-24 and 2022-23.

46 Additional Information

- a) The Parent Company or subsidiary does not have any benami property, where any proceeding has been initiated or pending against such Companies for holding any benami property.
- b) The Group has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Group does not have any transactions with companies struck off.
- e) The Group does not have any transaction which is not recorded in the books of account 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
- f) The Group has not traded or invested in crypto currency or virtual currency during the financial year.
- g) The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
- h) The Parent Company or subsidiary has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the Ultimate Beneficiaries
- i) The Parent Company or subsidiary has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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
- j) The Parent Company has availed facilities from banks on the basis of security of current assets. The revised returns or statements filed by the company are in agreement with the books of accounts and there are no material discrepancies.
- k) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company during the year ended March 31, 2024 and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company.

- 47 The Group is using two accounting software for maintaining its books of account wherein, audit trail feature (edit log facility) as per the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, is not enabled/not available during the year ended March 31, 2024. The Group is in the process of implementing audit trail feature in one of the accounting software and is in the process of evaluating options for implementing audit trail feature in other accounting software, being used for maintaining its books of account to comply with the prescribed requirements.

48 Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows:

Particulars	Lease liabilities	Long-term borrowings*	Short-term borrowings	Total
As at March 31, 2022	8,728	1,163	5,680	15,571
Cash flows:				
Proceeds from borrowings	-	-	13,918	13,918
Repayment of borrowings	-	(563)	-	(563)
Payment of lease liabilities	(2,472)	-	-	(2,472)
Non-cash movements:				
Additions on account of new leases	6,391	-	-	6,391
Lease modifications	70	-	-	70
Impact of lease derecognised	(717)	-	-	(717)
Rent concessions	-	-	-	-
Interest Expense	945	-	1	946
Impact of other borrowing costs	-	-	-	-
As at March 31, 2023	12,945	600	19,599	33,144
Cash flows:				
Proceeds from borrowings	-	-	1,830	1,830
Repayment of borrowings	-	(600)	-	(600)
Payment of lease liabilities	(3,280)	-	-	(3,280)
Non-cash movements:				
Additions on account of new leases	5,714	-	-	5,714
Lease modifications	-	-	-	-
Impact of lease derecognised	(196)	-	-	(196)
Interest Expense	1,315	-	-	1,315
As at March 31, 2024	16,498	-	21,429	37,927
* Long-term borrowings include current maturities				

49 Pursuant to the Board resolution passed by the Subsidiary Company, the Subsidiary Company has decided not to pursue with “Blanket project” due to the ongoing market conditions and has undertaken initiatives to explore new business opportunities, collaborate on other projects.

50 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 28, 2024.

For and on behalf of the Board of Directors

Jawahar Lal Oswal
Chairman and Managing Director
DIN : 00463866

Sandeep Jain
Executive Director
DIN : 00565760

Raj Kapoor Sharma
Chief Financial Officer

Ankur Gauba
Company Secretary
Membership No. FCS10577

Place : Ludhiana
Date : May 28, 2024



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MONTE CARLO FASHIONS LIMITED

(CIN: L51494PB2008PLC032059)

Registered Office: B-XXIX-106, G.T. Road, Sherpur, Ludhiana-141003

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