



PDS

Global | Collaborative | Digital | Ethical

ANNUAL
REPORT

22
23



FASHION
SIMPLIFIED

CORPORATE
OVERVIEW

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Forward-looking statements
Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



FASHION SIMPLIFIED



As a **global fashion infrastructure company**, we at PDS are committed to simplify the entire fashion value chain from designing and sampling to sourcing and manufacturing for the brands & relation we cater to.

We have built a unique, asset-light and robust platform, providing the right infrastructure and knowhow to global retailers and brands worldwide. The combination of talent, technology, strong balance sheet, sourcing synergies with partners and an unwavering focus on ESG enable us to create value in a sustainable manner.

Powered by a simple, efficient and effective business model, our aspiration is to emerge as a \$2.5-billion company in 3-5 years.

Our innovative ideas, robust supply chain, strong relationships with retailers and brands, along with sustainable business practices enable us to simplify fashion. For us, the core concept of fashion simplified extends beyond business priorities and reaffirms our commitment towards ensuring a better tomorrow for all people and the planet.



A GLOBAL FASHION INFRASTRUCTURE COMPANY

PDS AT A GLANCE

Commencing our journey in 1999, we are today present in over 22 countries with offices across design, sourcing and manufacturing verticals.

With decades of experience in the fashion industry, we have developed a keen design sense and have adopted the latest techniques and technologies to cater to the preferences of consumers worldwide. Our team of experts provide seamless and comprehensive solutions to our clients.

Our customised solutions enable us to cater to the entire value chain through our service offerings including design-led sourcing, sourcing as a service, brand management and manufacturing. Our offerings enable brands and retailers to focus on the point of sales, while we become their partners in the value chain.

Our team of experts provide seamless and comprehensive solutions to our clients.

Power of the PDS Platform

\$1.32 billion+

Revenue

3,982

Employees

6,151

Factory Associates

250+

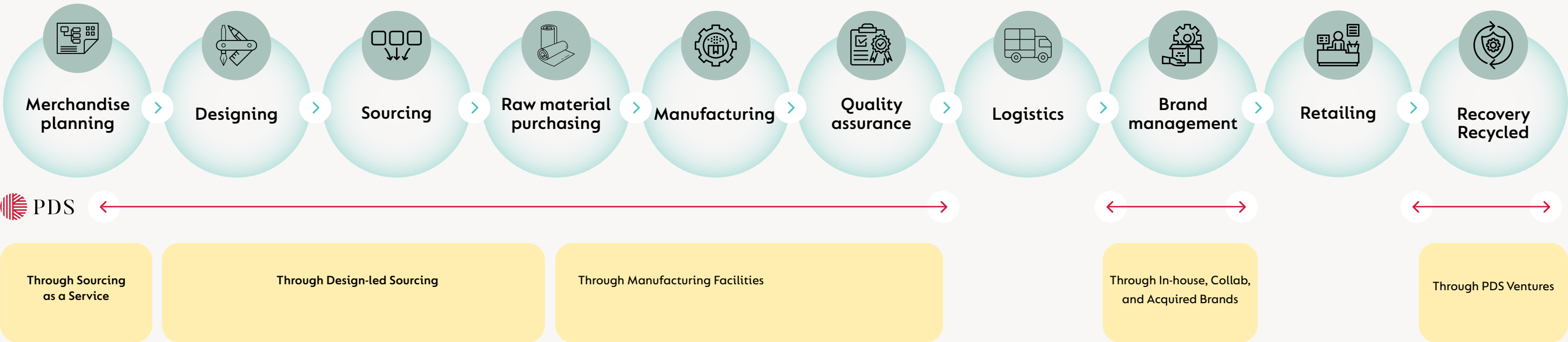
Dedicated designers

600+

Partner factories



Present across entire fashion value chain

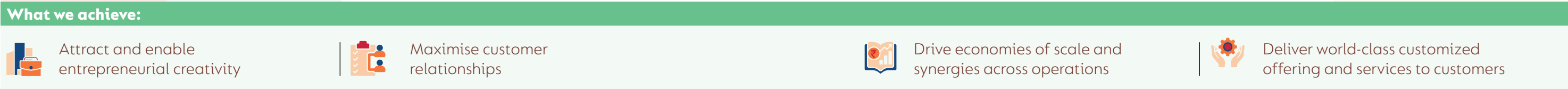
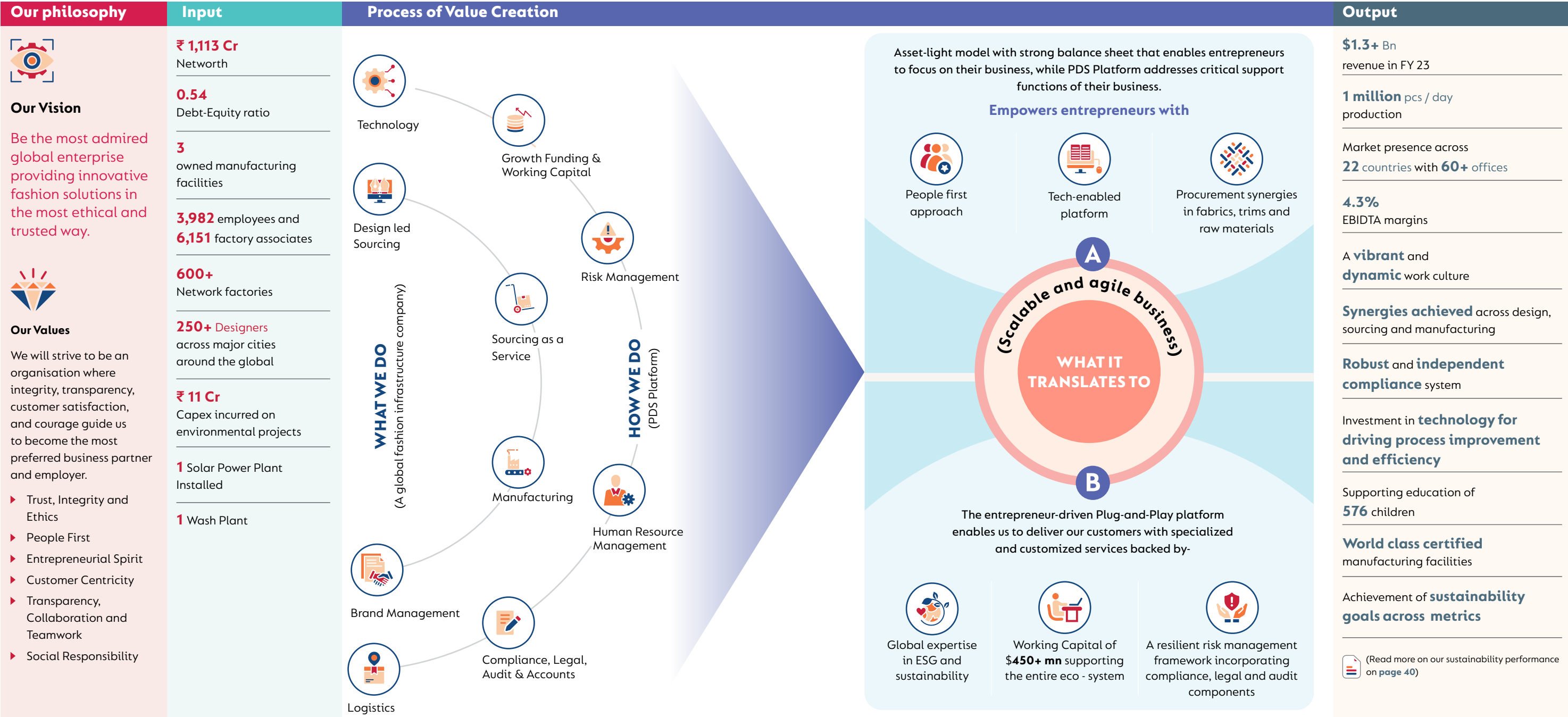




HOW WE CREATE VALUE SUSTAINABLY

A UNIQUE BUSINESS MODEL

Our unique business model is an synergy of multiple operations that empowers entrepreneurs in our ecosystem to thrive. With our collaborative approach, strong governance, and innovative designs, we are building a value-accretive business.





RESILIENT WITH A LONG-TERM FOCUS

FINANCIAL PERFORMANCE

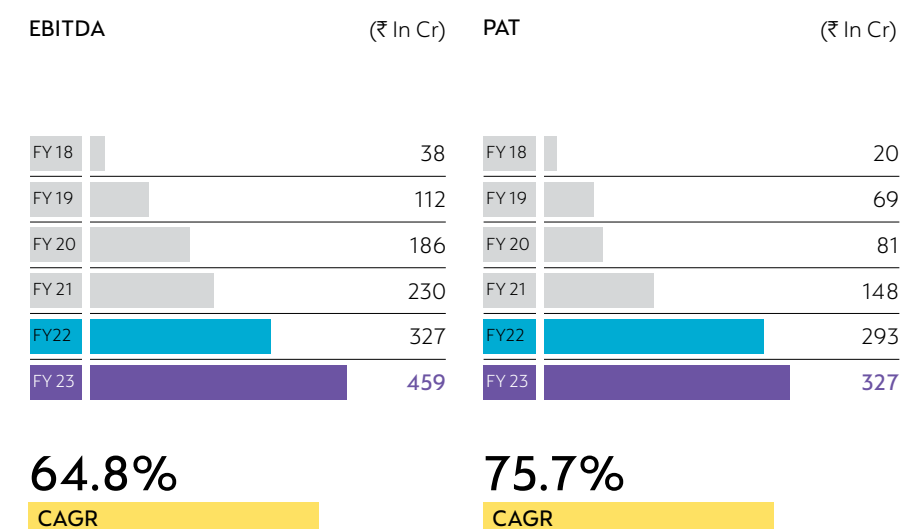
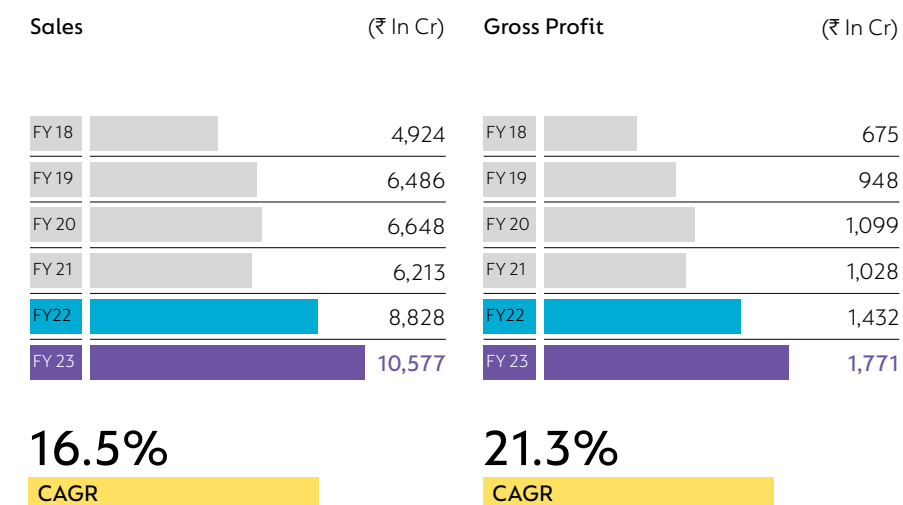
Our consistent performance is a testament to our strong management, effective strategies, and efficient execution of business operations, which have enabled us to maintain our growth trajectory despite economic headwinds.

Segment wise performance

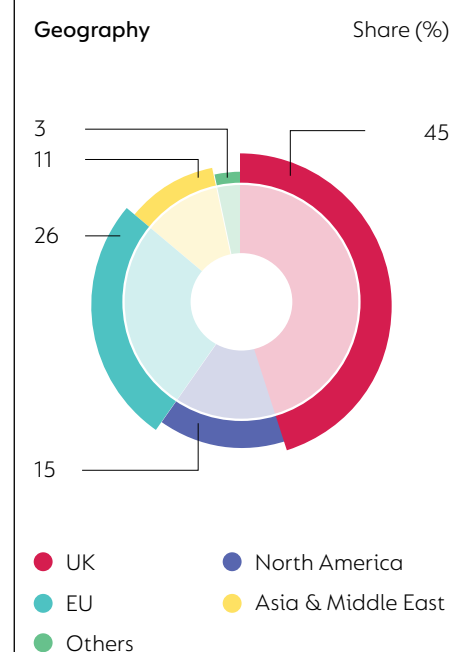
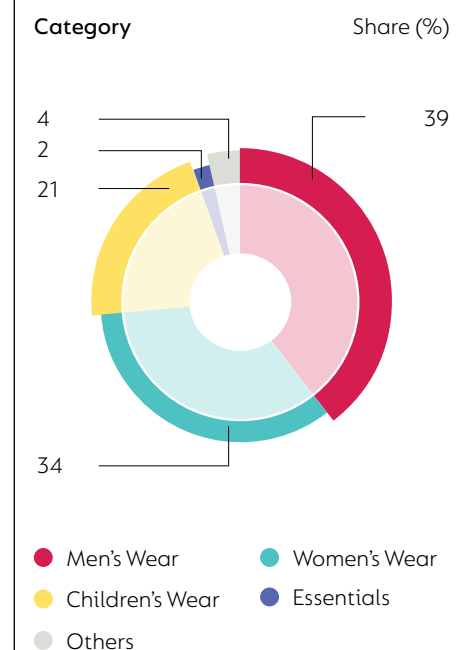
	Sourcing	Manufacturing	PDS Ventures and other	PDS Consolidated
Revenue	₹10,105 Cr	₹703 Cr	₹4 Cr	₹10,577 Cr
EBIT (including other income)	₹366 Cr	₹30 Cr	₹31 Cr	₹431 Cr
Gross Capital Employed	₹768 Cr	₹515 Cr	₹430 Cr	₹1,713 Cr
Net Capital Employed	-	-	-	₹984 Cr
ROCE*	48%	6%	7%	44%

*Segmental ROCE is based on Gross Capital Employed and Consolidated ROCE is based on Net Capital Employed PDS Consolidated numbers are post eliminations

Encouraging growth



Revenue breakup





MESSAGE FROM CHAIRMAN

GUIDED BY THE HIGHEST STANDARDS OF ETHICS AND TRANSPARENCY



Deepak Kumar Seth

Chairman

Dear Shareholders,

It gives me immense pleasure to present our Annual Report for the fiscal year 2022-23. In another year marked by challenges, we maintained our position as one of the most preferred business partners for our customers and employer for our diverse workforce.

We are building strong connections with new brands and retailers while strengthening our existing customer relations. We are guided by the highest standards of ethics, transparency, customer satisfaction, and governance at a time when the world economy is roiled by geopolitical upheavals, elevated inflation, and sustained rate hikes implemented by Central Banks globally.

Despite the disruptions in the value chain, we achieved a record year

reaching a topline of ₹ 10,577 cr thereby positioning ourselves as India's largest multinational B2B apparel company¹ in terms of the size of business.

However, in light of such global macroeconomic and geopolitical developments and supply chain disruptions, we as a Company, are focused on treading carefully in order to maintain our growth and profitability momentum. Nevertheless, we are confident that the resilience of our platform and our well-thought-out strategy would help us stay ahead of these challenges in the long term. Moreover, our presence in multiple markets globally helps us capitalize on the evolving opportunities.

Focused on Sustainable & Ethical Growth

As a responsible company, we expanded our efforts towards a cleaner, safer world by lowering our energy footprint and incorporating sustainability into our business practices. Driven by our holistic approach, we believe that environmental and social aspects are key to the growth of our business.

During the fiscal, we commissioned a state-of-the-art wash plant in Progress Apparels Bangladesh Ltd., one of our manufacturing subsidiaries in Bangladesh. The new wash plant has the capacity to wash six million garments per annum. With this, the facility can now manage 90 percent of the current wash requirement in-house, translating into savings in costs and faster turnaround time in production.

Our Company also commissioned a state-of-the-art fabric cutting plant at Norlanka Manufacturing Colombo Ltd, our Sri Lanka based subsidiary which aims to improve fabric utilization and reduce fabric waste going into landfills.

We installed solar panels at Norlanka and also invested in installing rooftop

solar panels in our Bangladesh factory unit. These initiatives are augmenting our efforts toward becoming a carbon-neutral company.

Demonstrating our strong commitment to the environment and sustainable initiatives, we joined the UN Global Compact this year. This is a voluntary initiative to implement universal sustainability principles and to take steps to support UN goals.

In addition to our environmental initiatives, our community programmes and outreach activities continue to reflect our commitment to being a socially conscious Company that focuses on building resilient and empowered communities. We believe in providing quality education to underprivileged children, which will help them with skills they need to provide for themselves and their families in the future, thereby breaking the vicious cycle of poverty.

We as an organisation came together to support regions that faced a political or natural crisis. During the economic crisis in Sri Lanka, we set up a Community Kitchen in collaboration with St. Annes Church, The Voice Foundation, PHI, and other government officials, wherein we distributed warm meals daily. We partnered with NGOs in Turkey to provide aid and relief to those affected by the recent earthquake that highly impacted several lives. We contributed towards container houses, for housing people of the impacted areas and distributed essential items such as blankets, cold-weather clothing cartons, and sleeping bags. These efforts demonstrate our commitment to making a positive impact on the communities we operate in.

PDS is built on a culture in which talent is acknowledged, trusted, and treated with respect and empathy. Our diverse and inclusive workforce is our most valuable asset, enabling us to constantly innovate, set new benchmarks, and



We will continue to build on our global footprint and visibility, and our aspiration is to emerge as a \$2.5 billion company in the foreseeable future.



outperform. During the fiscal year, our India and Sri Lanka operations were recognised as 'Great Places to Work@,' and this accreditation proves that we are on the right track. We pride ourselves in having a workforce spread across 60+ business verticals in various geographies, comprising of 10,000+ employees and factory associates of 25+ nationalities, of which nearly 58% are women.

Our journey of growth is backed by the diverse knowledge and expertise from our esteemed Board of Directors. During the fiscal, we welcomed B G Srinivas as an independent and Non-Executive Director of our Company. B G Srinivas has over 30 years of experience in the information technology sector and was previously the President and Whole-time Director of Infosys Limited. He is a well-known and respected member of India Inc. with global expertise and experience in strategy, operations, and finance, especially in the technology sector.

Lastly, I would like to thank our teams for helping us in consolidating our position as a reliable enterprise with a global footprint. I must thank our customers for their continued support, as well as our shareholders for their continued trust and confidence in our brand, our strategy and our vision.

Best regards,

Deepak Kumar Seth
Chairman

¹based on the reported topline of listed companies in India in the apparel space



MESSAGE FROM VICE CHAIRMAN

END-TO-END CAPABILITIES CATERING TO THE GLOBAL FASHION VALUE CHAIN



Pallak Seth

Executive Vice Chairman



Dear Shareholders,

PDS – Fashion Simplified

When one looks closely at PDS's business model, it is rightly summed up in two words 'Fashion Simplified.' Our presence across the entire fashion value chain defines the uniqueness of our business model and enables us to serve our customers across the value chain. Given the ever-changing industry dynamics, our business model allows retailers and brands to focus on their front-end operations, customer acquisition, and expanding their market presence, while we cater to their supply chain infrastructure needs.

PDS is seen as a credible business partner wherein credibility refers to the ability to provide global sourcing solutions with adherence to the highest governance standards, transparency, compliance, and financial stability. Over the years, we have grown into a large global fashion infrastructure platform because of the distinctive strengths of our business model which include:

- Design-led sustainable and responsible sourcing
- Curated service offering
- End-to-end capabilities
- Global footprint
- Digital solutions
- Strong financial and risk management capabilities
- Venture arm feeding innovations across sustainability and circular economy

Capitalising on opportunities

While global economic pressures, high cost of capital, and supply chain disruptions are looming over the industry, we are witnessing new and strategic opportunities that are unraveling. Retailers and brands are exploring credible third-party counterparts who can support their businesses and operations seamlessly. With an aim to capitalize on these opportunities, PDS has been curating customized solutions for its customers and has been successful in gaining long-term strategic agreements.

A year and a half back, we launched Sourcing as a Service which witnessed good traction with PDS signing contracts with marquee retailers & brands with a potential to handle merchandise value of over \$1 billion. We see this traction continuing in FY24 as retailers tackle a challenging market environment and are looking for a trusted partner to offer solutions to improve operating efficiencies.

We are pleased to share we are also seeing the opportunity to expand into high margins and value accretive services including wholesale and brand management solutions. One such exciting product offering is complete brand management solutions where we run the head offices of global retailers. In the future, there are many global retail companies that want to have design as a service for their brands but find it challenging to hire the right people and put the structure in place and PDS is perfectly positioned to support them.

PDS, through its UK subsidiary, entered into a license agreement with the Authentic Brands Group (ABG) for the Forever 21 brand. Under this agreement, we have been granted the rights for the manufacturing, marketing, and distribution of Forever 21 in the United Kingdom and European regions, including Germany, France, Spain, and Switzerland amongst others. We will deliver quality products and great style to consumers in the UK and Europe while opening doors to bring on board the best-in-class partners in our supply chain. We believe opportunities like these will further enable us to expand our offering to other marquee brands.

In 2022-23, we acquired two businesses – Sunny Up, a UK based licensing business, and DBS Lifestyle, India based design and sourcing business. We acquired a 100% stake in Sunny Up, that holds the exclusive European license for Stan Ray and other distribution rights.

Given that India has been gaining tremendous traction in the global fashion space, both from a supply and demand standpoint, we acquired 51% stake in DBS Lifestyle, a design-led company catering to fashion and home categories. With this strategic transaction, we have augmented our capabilities in India and are further building our design capabilities for servicing global customers.

Our focus is on driving business through long-term strategic partnership which significantly enhances medium to long-term visibility of the business and drives the annuity stream of revenue for PDS. Further, this is enabling us to transition from transactional orders and focus on value-accretive businesses driving higher margins along with better return ratios in the long term.

During the year our growth aspirations in the US markets were dampened owing to strong macroeconomic headwinds. However, we are positive about strengthening our foothold in the US market in the long run. Meanwhile, we are exploring new geographies, namely, India and Egypt, for strengthening our footprint in this region. We believe that this will help us capitalize on benefits



Our focus is on driving business through long-term strategic partnership which significantly enhances medium to long-term visibility of the business and drives the annuity stream of revenue for PDS.



flowing from reduced shipping time and duty-free exports to major markets like Europe, UK & USA.

With the growing regulatory focus on sustainability, we are future proofed with the ecosystem that has been built through our venture investments. The innovations created by our investee companies also offer us an entry point to work with top global retailers who wish to partner with us in their sustainability journey.

We are evolving with the global markets and continue to build resilience to the upheavals in this dynamic economic and fashion landscape. We believe that the coming few quarters will be challenging and will impact on our growth in the near term, however that the long-term outlook is positive and we expect recovery towards the second half of the year. As a global platform, we continue to focus on strengthening our capabilities and are very much geared to continue to aspire to achieve more than \$2.5 billion of topline in the next couple of years along with a gradual increase in profitability.

I extend my gratitude to our customers, partners, employees, and other stakeholders who have placed their trust and confidence in us. I am very excited about the path we are on, and confident that you will see a bolder PDS as we step into FY 2023-24 and beyond.

Warm regards

Pallak Seth
Executive Vice Chairman



MESSAGE FROM GROUP CEO

PURSUING STRATEGIC PRIORITIES ALONG WITH OPERATIONAL EXCELLENCE



Sanjay Jain

Group CEO

Strong financial performance in spite of macro headwinds

I am very pleased to share that PDS has delivered 20% growth in the financial year 2022-23, with a top line of ₹10,577 Cr. This was accompanied by a gross margin of 16.7%, an expansion of 53bps compared to last year. This translated into ₹459 Cr EBITDA, a growth of 40% over the previous year and a 4.3% margin.

Our sourcing segment, which accounts for 96% of our top line clocked 19% growth compared to the previous year, at ₹10,105 Cr. The business reported an EBIT of ₹366 crores, reporting 18% growth in comparison to the previous financial year. Overall, the sourcing segment achieved 48% return on gross capital employed. The new verticals that were on-boarded in the last two years, achieved ~2x increase in topline, however, given some of them are still in the gestation phase continue to have impacted the profitability of the segment. Furthermore, as we grow curated offering like Sourcing as a Service and Brand Management solutions, we would witness a favourable impact on our profit margins and return ratios.

Our manufacturing segment reported a growth of 28% with a topline of ₹703 Cr compared to ₹547 Cr in FY22. The segment achieved its first full year of profitability journey with a PAT margin of 2.6% in FY23 vs a loss of around 3.6% last year. We are focusing on driving our profitability journey in this segment. During the year, we expanded our capabilities across our

made new investments across our value chain in capabilities, people, and technologies amongst others. We registered a strong operational and financial performance in spite of a challenging business environment impacted by macroeconomic & geo-political factors. This would not have been possible without the collaborative spirit of the entire PDS platform as well as all our valuable partners.

Dear Shareholders,

It gives me immense pleasure to write to you at the conclusion of fiscal 2022-23. The last fiscal has been a year of opportunities and uncertainties.

The first half of the year started on a strong note with the second half facing muted demand. We continued to work towards our strategic objectives and

manufacturing vertical. Our Bangladesh facility launched a wash plant which was funded by Good Fashion Fund. Good Fashion Fund is a one-of-its-kind impact investment fund initiated by the Laudes Foundation, aimed to drive systemic change in the textile & apparel industry, by financing the implementation of state-of-the-art and disruptive technologies and innovations delivering good fashion practices. Further, we also launched a centralized cutting plant in Sri Lanka. These investments are a key step towards further enhancing the PDS manufacturing vertical capabilities through state-of-the-art machinery and digitalized processes.

This year we witnessed a multi-fold increase in our interest costs, with base rates namely LIBOR / SOFR increasing from <0.1% to over 4% in the last year. This translated into a higher interest cost, which impacted the bottom-line profitability, with a Profit After Tax of ₹327 Cr.

In spite of these challenges, we reported a return on capital employed of 44% and a return on equity of 29%. We continued to operate with a negative working capital cycle of 2 days with a negative net debt of ₹128 Cr as of March 31st, 2023. Further, in line with our dividend distribution policy, the Board of Directors proposed a 255% dividend of ₹5.10 per share of which ₹2.60 per share was distributed as interim dividend during the year.

Strengthening the PDS Platform

Our business success is closely linked to the robustness and grit of the platform. We are continuously making strides to further enhance our capabilities in order to cater to our global businesses. As a platform, we are working effortlessly to strengthen our digital capabilities to drive process improvements and efficiencies. We are using technology to develop tools enabling us to improve and provide sharper costing to our customers. Additionally, digital tools combined with data are enabling us to continuously improve our working capital cycle driving better collection and payment cycles. Further, we have augmented our teams by hiring experts in Fabric, Yarn, and Trims who shall enable us to drive group procurement synergies, which currently are untapped. The various initiatives that are being undertaken are driven by

Levers of Growth



industry and functional experts who have recently associated with PDS.

Going forward

With a positive outlook for our future, we aspire to double our business within the next three to five years. Our asset-light platform has enabled us to navigate through the challenges faced by the global fashion industry.

Further, as we expand our customer network, we are also expanding our vendor network to regions that are vital from a fashion supply chain perspective. We believe that India is poised to emerge as a significant player in the worldwide apparel industry, bolstered by the commendable efforts undertaken by the Indian government. We have steadfastly expanded our presence in India and have entered into exclusive sourcing arrangements with several prominent brands. In addition to our own factories

located in Bangladesh and Sri Lanka, as well as our partner factory network, we are keen to explore further opportunities to expand our partner factory network in India. This strategic move will enable us to leverage the enormous potential of the Indian market and enhance our overall business operations in a sustainable manner. Our strategy to increase our penetration in the US markets by exploring investments in factories in countries such as Egypt, with shorter lead times, further reinforces our commitment to our customers.

Adapting to market needs, we are continually positioning ourselves as a one-stop-shop solution provider for our customers. As we move forward, our integrated global business model and innate strengths will empower us to seize emerging opportunities in the global fashion market.

Finally, I would like to offer my sincere gratitude to all the employees of PDS for their dedication and contribution to the organization. I also remain extremely grateful to our shareholders and other stakeholders for their continued support.

We look forward to another successful year and aim to achieve newer heights of success.

Best regards,

Sanjay Jain
Group CEO



I am very pleased to share that PDS has delivered 20% growth in the financial year 2022-23, with a top line of ₹10,577 Cr. This was accompanied by a gross margin of 16.7%.





AN INSIGHT INTO OUR BUSINESS CANVAS

FASHION SIMPLIFIED

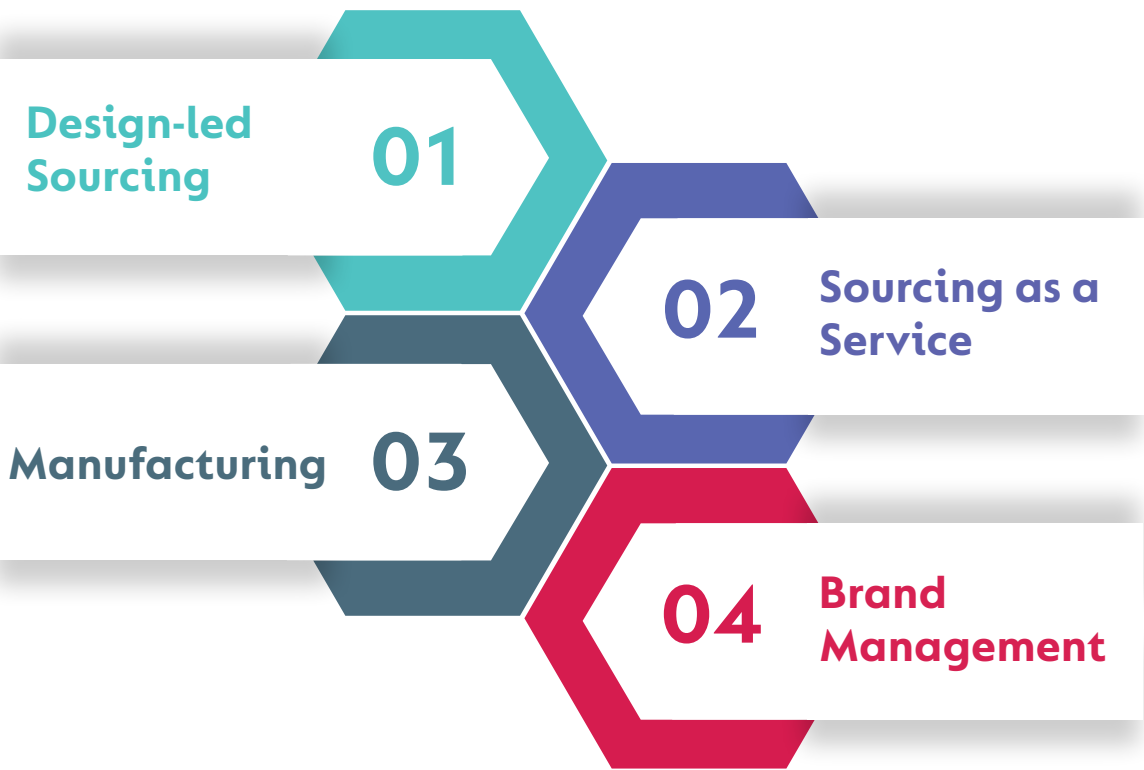
Our asset-light business model is backed by in-house design capabilities, a strong compliance framework, and a strong digital system enables us to overcome the challenges of critical stages of the fashion supply chain.

In today's ever-changing global market, the retail industry is witnessing a significant transformation. With the emergence of outsourcing trends, sustainability and compliance have taken center stage, further accentuated by the unprecedented disruptions caused by the pandemic.

As a result, brands and retailers are shifting their focus from low-cost suppliers to strategic sourcing partners who can not only keep up with the emerging trends but also align with their values and principles. In this context,

we at PDS, understand the dynamics and have defined 'what we do in our business', bridging the gap in the fashion supply chain that are crucial. This has enabled us to stay ahead in the game and thrive in a competitive landscape.

As a global fashion infrastructure company, our core business operations involve:



01

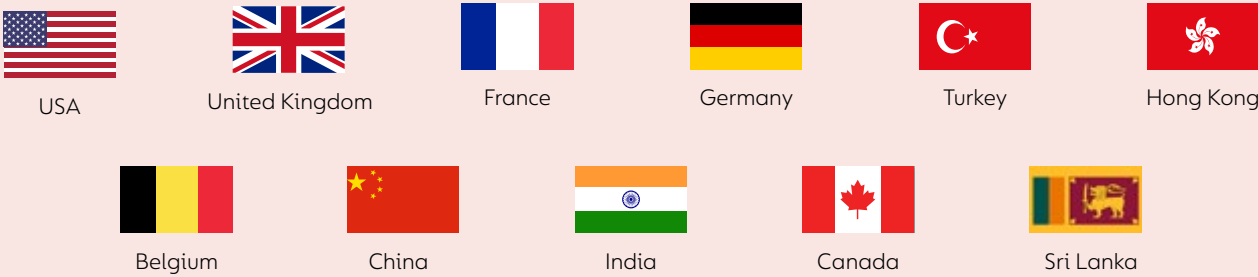
Design-Led Sourcing

In today's competitive market, it is becoming increasingly important for fashion brands and retailers to focus on their core business to sustain their growth and market share. At PDS, we step in at a critical juncture of the entire fashion value chain – sourcing. Our design-led sourcing model helps brands and retailers optimise their sourcing strategies, reduce costs, improve quality and ensure the timely delivery of apparel.



Global design-led ecosystem

To foster innovation and collaboration among diverse teams to create sustainable and user-centric solutions, we are present across:



Enjoying inherent competitiveness



Delivering customised solutions

- Trend Forecasting
- Design Direction
- Graphic, Textile Design, Fabric R&D
- Circular 3D Design



DBS LIFESTYLE

Expanding our offerings

In October 2022, we completed the acquisition of 51% stake in DBS Lifestyle LLP, a design-led company catering to fashion and home categories for an investment of approximately ₹ 21 cr. Their Italian Trend & Design Studio, DBS Giacomo Barzaghi plus Sourcing business verticals, collectively offer end-to-end solutions from design, product development, and manufacturing to warehouse delivery, serving clients in USA and Europe. It also creates private brands for leading online and offline retailers, including RIVER - a multi-designer brand for Amazon Fashion.

20,000+
Original textile designs

What does DBS bring on board?

DBS owns over 20,000 original textile designs and patterns and add nearly 2500 artworks and samples to its library every month. DBS serves over 200 fashion and 150+ home clients globally along with leading brands, retailers and key e-commerce players in India.

With an aim to creating a one-of-a-kind turnkey company offering customised design solutions, DBS Lifestyle along with the expertise of PDS is poised to spur the next phase of growth.

2,500+
Artworks and samples in library every month



POSITIVE MA+TERIALS

INNOVATING FOR A REGENERATIVE FUTURE

Operating at the intersection of design, technology, and manufacturing, Positive Materials team of scientists, product developers and production specialists collaborate with an international network of textile supply chain partners, innovative start-ups, and consumer brands to develop and create low-impact textiles.

With their operations based out of Portugal, Postive Material is strategically located to have a fully traceable and controlled compliance system aligned with the highest industry quality standards and environmental impact indicators.

Innovation Through Collaboration

Positive Materials vision relies on the development of strategic partnerships with innovators helping them on their product journey from niche to mainstream.

Positive Material partnered with Materra to develop and launch a line of market-ready circular knits with unparalleled traceability and monitoring. Postive Material in-house capabilities have enabled creation of novel products from waste streams, such as our Nature Coatings line. This unique black pigment made from wood waste eliminates the use of hazardous compounds in the design, manufacture, and application of conventionally applied chemical products.

The product categories below reflect commitment to create a positive future and ongoing efforts to introduce materials with lower impact on the planet than those conventionally available.

+ R
+REGENERATIVE

+ B
+BIOENGINEERED

+ G
+GREEN CHEMISTRY

- W
-WASTE



of materials' portfolio is made of regenerative fibres



of products are mono-fibre textiles



of products are fully recyclable



Scan the QR code to read more



02

Sourcing as a Service

Our new age customised solution involves end-to-end management of brands and retailers' sourcing needs with complete transparency. From identifying and selecting suppliers to negotiating prices and managing the overall production, we act as an extended arm for the retailer. It particularly addresses pain points for fashion-led brands by reducing the cost of complexity, while providing high transparency and cost-plus pricing. Territory-based agreements and exclusive sourcing rights are integral to this framework with an independent team running the operations under a separate set up. This enables the brand or retailer to get full visibility of the operations. PDS and the retail agree to volumes an annual budgets that further enhancing sourcing power, allowing better negotiations with suppliers and gaining competitive advantage.

Vendor Management | Balanced Supplier Matrix | Optimized Countries of Production

Cost Management

- Transparency - Open Costing
- Cost - forward approach
- Leverage scale
- Supplier partnership

Digitisation

- 3D Product Creation
- Virtual Showrooms
- Digital Fit
- Digital Colour Approval
- Product Lifecycle Management

Strategic & Agile Sourcing

- Raw Material Control
- Multi Country Sourcing Base

Operational Excellence

- Speed & Agility
- Strategic Fulfilment and Factory Mix
- Capability management, fabric control, critical path management
- Quality Management

Technical & Compliance

- Dedicated Technical & Compliance Team
- Factory Efficiency Improvement Program
- Compliance Audit

Sustainability

- Sustainability goals - reduce emissions, build community, reduce water, think circular
- Fabric & Raw material management traceability
- Circularity & Regenerative Economy



Partnering with ASDA for exclusive sourcing



George is a mass-market fashion label that has undergone remarkable growth and evolution in the UK, with a presence in over 560 stores and a rapidly expanding online fashion business serving more than 800,000 customers every week. Exclusively available at Asda, a prominent British supermarket chain, has helped in shaping the British fashion

industry over the past three decades and has emerged as one of the foremost fashion retailers in the country.

Our subsidiary, Collaborative Sourcing Services (CSS), has established a strategic partnership with George, solidifying our longstanding two-decade relationship with Asda. As part of this collaboration, CSS has dedicated a

specialised team, exclusively focused on delivering market-leading solutions through an ethical value chain. CSS will expand its operations to Dhaka, Bangladesh, enabling the sourcing of clothing, footwear, and accessories from both Bangladesh and India, further enhancing our comprehensive offerings.





03

Manufacturing

Our manufacturing units across Bangladesh and Sri Lanka have developed the expertise in manufacturing several garments with global best practices. With greater control over production process and

stringent quality assurance procedures for creating sustainable fashion, our manufacturing units are centres of excellence.

Our units are certified with LEED Gold and HIGG Index Membership, demonstrating our commitment to

environment responsibility and our commitment towards sustainability. Over the years, the manufacturing units have transformed with sustained investments in operations that have resulted in improved water and electricity consumption.

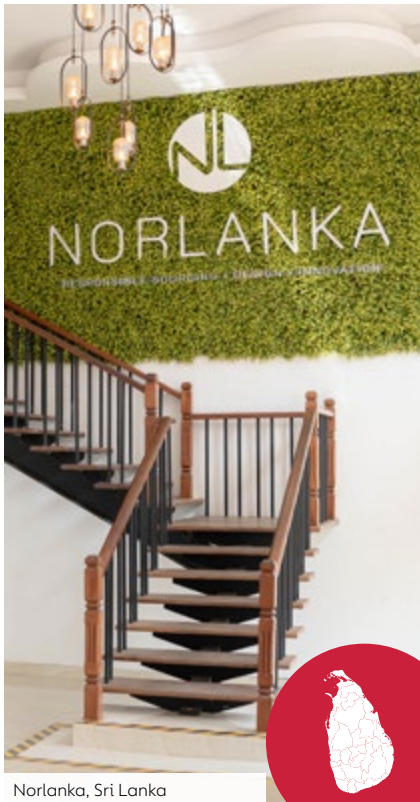
Our manufacturing units



Green Smart Shirts, Bangladesh



Progress Apparels, Bangladesh



Norlanka, Sri Lanka

Certifications

WRAP, Sedex, GOTS, USGBC, CTPAT, ACCORD, BCI, Global Recycled Standard, amfori BSCI

Specialisation of apparel manufactured

Woven Garments

Production area

1,12,000 sq. ft

Production capacity

8,00,000- 8,50,000 pcs p.a

Certifications

WRAP, Sedex, GOTS, USGBC, CTPAT, ACCORD, BCI, Global Recycled Standard, amfori BSCI

Specialisation of apparel manufactured

Woven Bottoms

(Mens and Ladies Formal and Casual pants, cargo, non-denim bottoms, joggers, dresses, school wears and kids wear)

Production area

3,58,690 sq. ft

Production capacity

12 million pcs p.a

Certifications

WRAP, Sedex, GOTS, USGBC, CTPAT, ACCORD, BCI, Global Recycled Standard, amfori BSCI

Specialisation of apparel manufactured

Baby wear

Production area

56,000 sq. ft

Production capacity

1.1 Million pcs per month

Did you know ?

The commercial production of the Centralised Cutting Plant (CCP) at Norlanka unit has resulted in a fully digitalised and integrated system starting from mills inspection to warehouse, fabric inspection and the cutting process.

This centralised operation makes use of advanced automated machinery in partnership with TUKATECH, unlocking smart cut planning and fabric cut efficiency to enhance quality and productivity.

A step towards a better tomorrow

We installed a state-of-the-art wash plant at Progress Apparels, one of PDS's manufacturing subsidiaries in Bangladesh. With a capacity to wash 6 million garments per annum and fulfil 90% if the current wash requirement. This facility is funded by Netherland based Good Fashion Fund.

We have not only equipped Progress Apparels to further amplify its capabilities in apparel manufacturing but also benefit from Good Fashion Fund's expertise in sustainable practices and implementation of best-in-class technologies.

Recognised for excellence

Norlanka, was recognized with an 'Award of Excellence' by Orchids by embodee® (an online creation and publishing platform for fashion) in recognition of its leadership in the apparel industry's digital transformation. Norlanka is in the forefront in 3D adaptation and integration in the industry, with seamless and effective design and technical collaborations. Through optimal use of technology, and constantly engaging with our software partners, we have been able to become agents of change. Our tech-driven workflow has increased efficiencies, visibility, opened up new opportunities & enhanced customer engagement, and it has contributed much to our business growth.





04

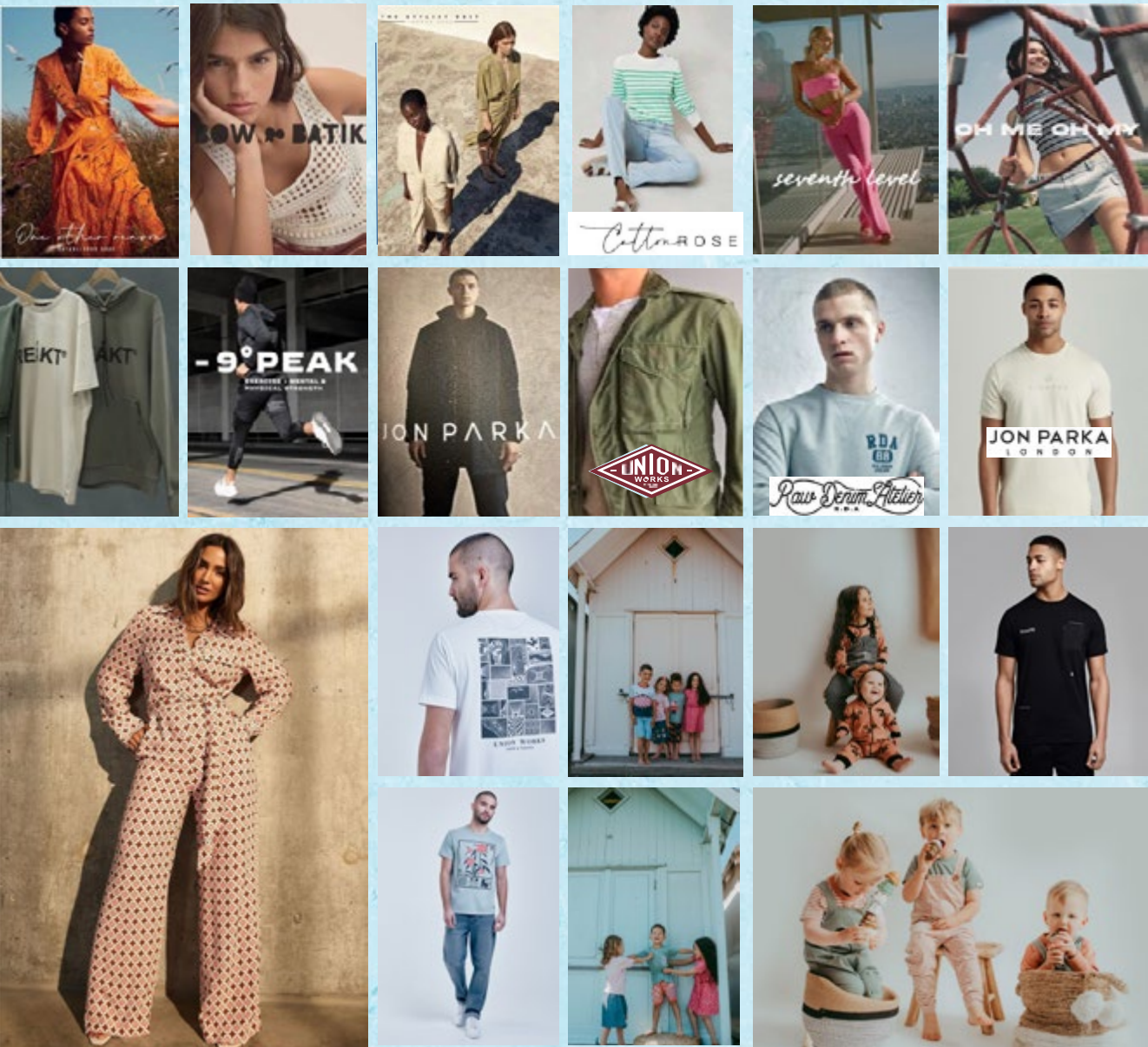
Brand Management

Our design-to-market capabilities is one of our core strengths, allowing us to create products that are not only visually appealing but also tailored to meet the needs of our target customers. By leveraging this expertise, we have been able to curate a diverse portfolio of in-house brands that cater to

various niches and preferences.

What sets our portfolio apart is our collaboration with retailers and influencers in conceptualizing new brands. We believe that by working closely with these partners, we can gain a better understanding of the end customer is looking for and create products that resonate with them. Further, we are also exploring end-to-end brand management solutions and opportunities.

Brand Portfolio*



*Includes Proprietary, Licensed, Collaboration etc

FOREVER 21

Licensing Forever 21 Brand

Poetic Brands, our United Kingdom-based subsidiary, signed a license agreement with the Authentic Brands Group (ABG) for the Forever 21 brand. Poetic Brands has been duly authorized to exercise the exclusive rights to manufacture, market, and distribute the Forever 21 brand throughout the United Kingdom and various European territories, including Germany, France, Spain, and Switzerland.

We shall spearhead the growth of the brand across a wide array of categories, including women's wear, men's wear, children's wear, athleisure, swimwear, and fashion accessories. The distribution of Forever 21 brands shall be carried out through reputable full-price retailers and popular e-commerce platforms across the United Kingdom and various European territories.



Influencer collaborations for brand creation

FW Bridge, was co-founded in 2022 by Frankie Bridge and Poeticgem, UK based subsidiary of PDS. It is a women's casualwear label under F&F at TESCO supermarket. It is available across 300+ TESCO stores and on Next's e-commerce platform. The brand offers a range of products, including basics and statement pieces, priced between £15 and £49.

Customer feedback x Customer acquisition

The FW Bridge brand has actively shaped its product offerings based on valuable customer feedback. In response

to customer demands, catering to a broader customer base. The design process involved close collaborations between TESCO's data analysts, suppliers and the co-founder Frankie Bridge, who analysed the sales data from F&F for curating the brand's future size ranges accordingly. This approach highlights the brand's customer-centric philosophy, with a focus on delivering products that meet their needs and preferences. Especially the world moving towards cost of living crisis, more people will be choosing to shop in places like supermarkets with apparels at great price point and great quality.





A UNIFIED PLATFORM

FASHION SIMPLIFIED

Our platform is built on industry best practices and a collaborative model that encourages open communication and knowledge sharing.

We empower a solution-based approach, working closely with our partners to develop tailor-made fashion solutions. In an ever-changing fashion landscape, our plug-and-play 'platform model' is curated with specific operational levers that define 'how we do our business' and serve some of the biggest retail brands in the fashion industry.

PDS's unique business model drives high volumes and higher ROCE, aided by financial strength, renowned customers, proactive risk management, strong banking relationships, wider global reach, digital transformation that optimises processes, and an entrepreneurial model that empowers employees. These factors act as pivots for the company to achieve sustainable growth.

01

Expansive global reach

Over the last two decades, we have built a global footprint spread across over 22 countries with 60+ offices. While we cater to markets like UK, Europe, USA, Australia, amongst others

we have built strong in-roads across apparel manufacturing hubs including Bangladesh, Turkey, Sri Lanka, China amongst others. Our global set up

enables us to manufacture the right product from the right location catering to retailers and brands, near shoring and far shoring requirements.



02

Robust financial stability

Through the establishment of an innovative, asset-light global platform, we have positioned ourselves as India's largest multinational B2B apparel enterprise. Our model gives the ability to pivot enabling us to drive growth and scalability. Our financial stability's bedrock lies in the fact

that we choose to work with creditworthy customers to ensure consistent cash flow and stability in the highly competitive and volatile fashion industry. Our relationship with our customers is largely based on back-to-back payment terms, and collaborate with top-tier insurers to

minimize financial risk.

Our banking relationships ensure smooth financial operations and benefit us in a variety of ways, including working capital lines, non-recourse factoring, enabling smooth day-to-day transactions.

6C and risk management

At PDS, we prioritise effective risk management to ensure long-term business success. Our 6Cs framework identifies and manages key areas of risk, including credit, cost, customer dependency, compliance, currency, and capacity. Through comprehensive risk assessment, control, and mitigation strategies, we safeguard against negative impacts while positioning ourselves for growth opportunities.





03

Simplifying operations with digital transformation

We have adopted digital technology to enhance efficiencies across our organisation. We have streamlined our operations and implemented automated systems, utilising data analytics to gain valuable insights into customer behavior and make informed business decisions.

Integrating various business functions with the reliable IT infrastructure has helped automate processes and resulted in real time data processing. We have enhanced the operational efficiency and optimised costs by quick decision-making.



Homogenising the application landscape

We, at PDS have planned a homogenised application landscape which will standardise the overall process and minimise cost. We are standardising the applications throughout the value chain, right from product design to compliance.



Product design and development

- PLM suite
- 3D designing



Manufacturing

- Time and motion study
- Planning and scheduling



Customer touchpoints

- CRM
- E-Commerce



Merchandising

- Costing



Logistics

- Warehouse management
- Invoicing



Quality assurance

- Quality management



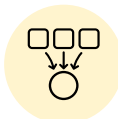
Finance

- Budgeting and forecasting
- AP workflow
- Tax and compliance



Human resource

- HRMS



Sourcing

- Order management
- Vendor collaboration



Our digital transformation has streamlined our operations, optimised costs, and elevated customer experiences. We leverage data analytics for informed decision-making, maintain a standardised application landscape, and utilise cutting-edge digital tools for improved efficiency and productivity.



Saurabh Saxena, Group CIO

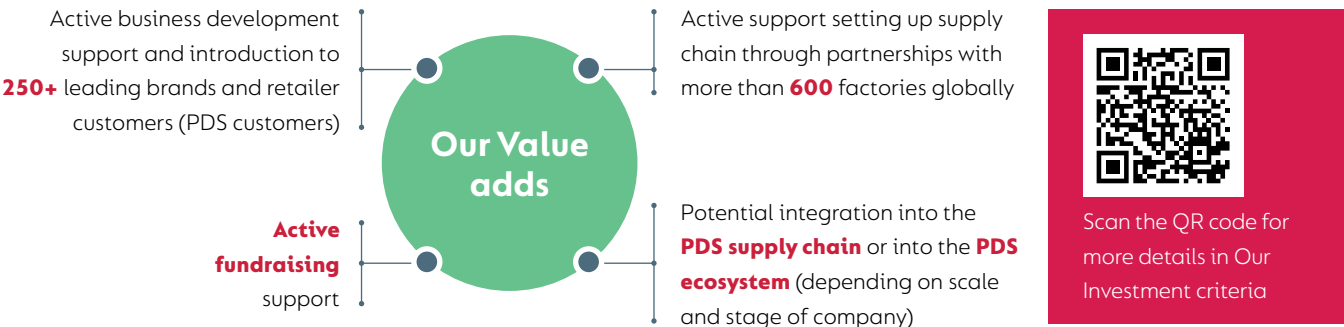
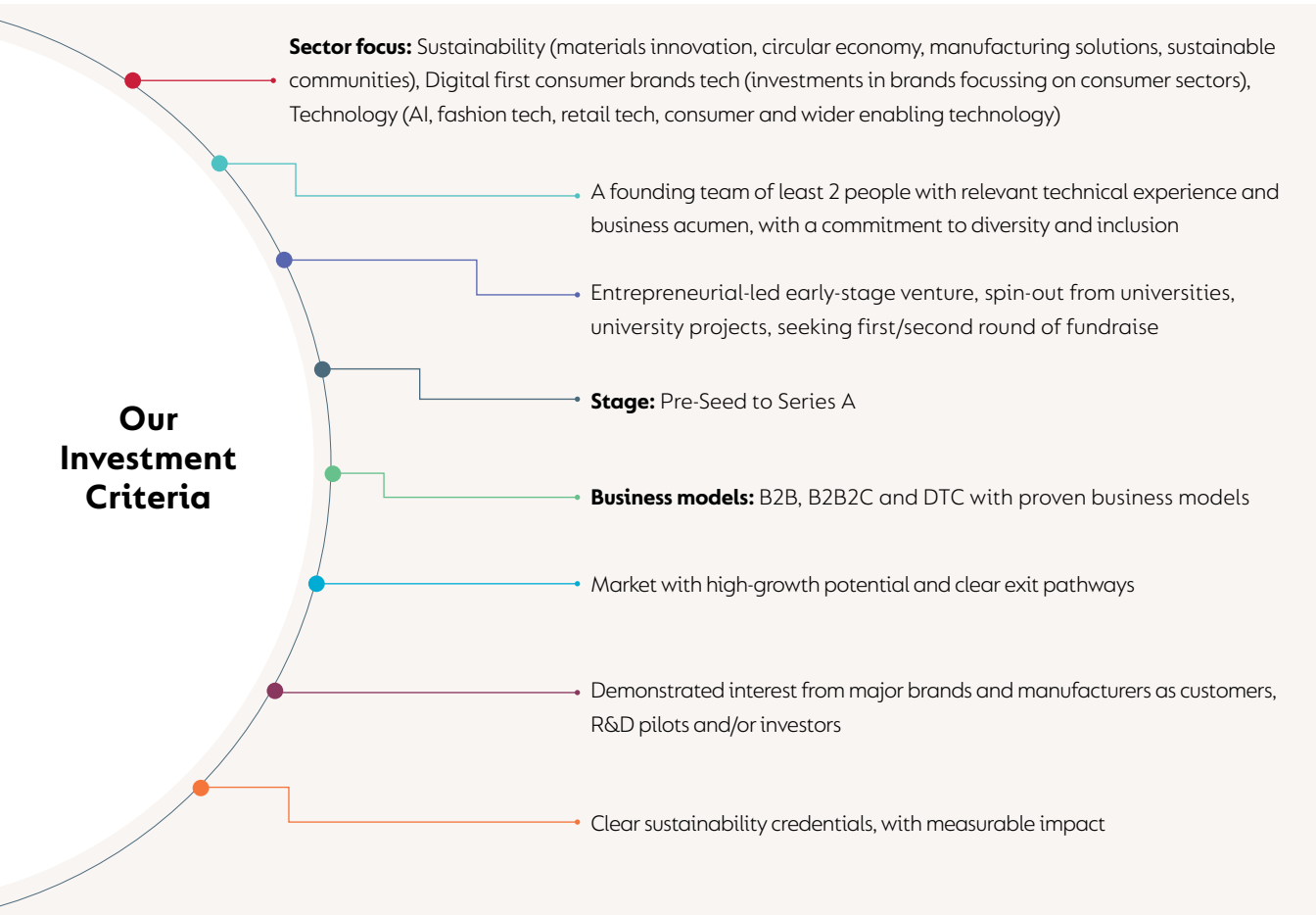


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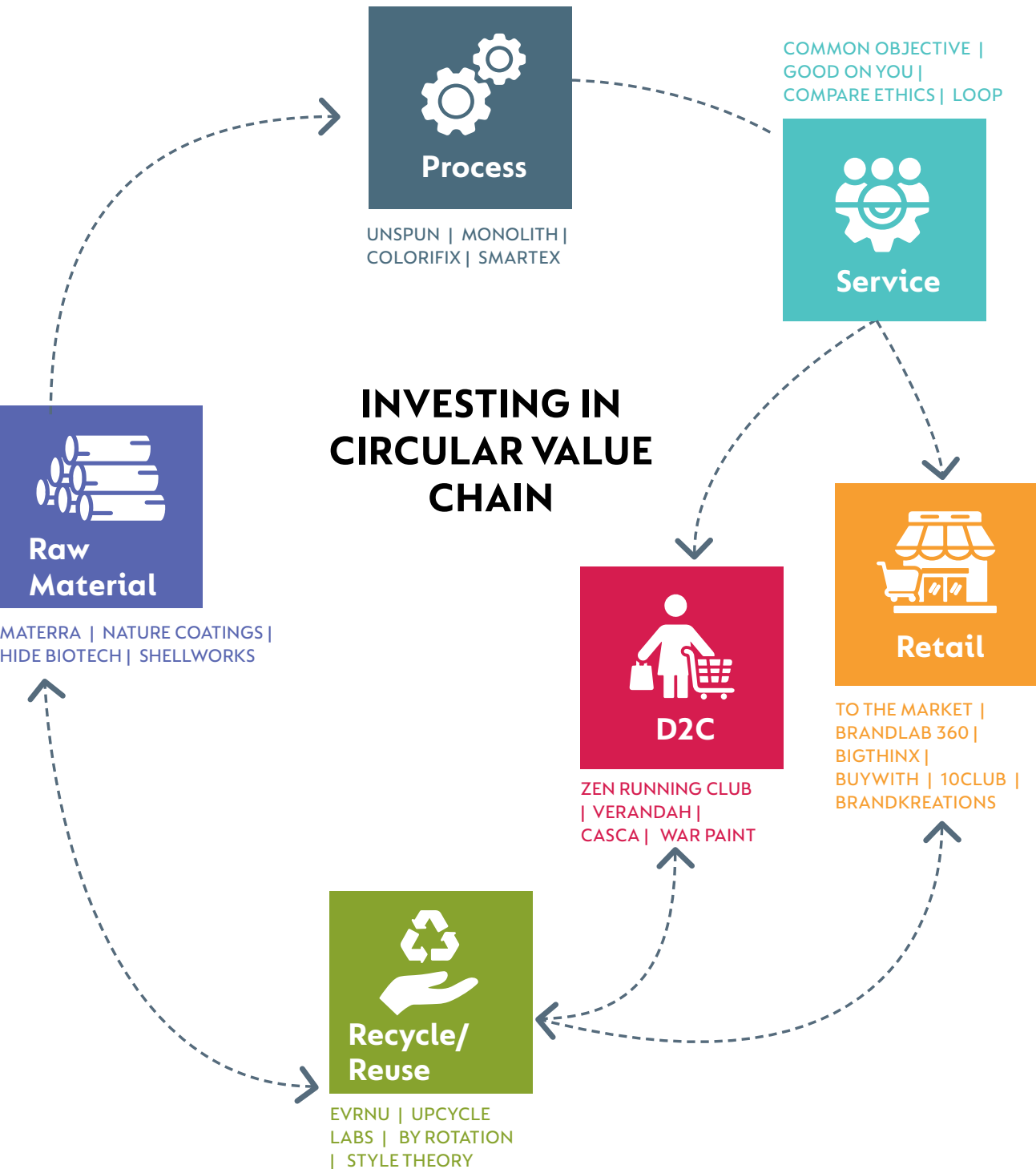
Nurturing scalable innovation

PDS Ventures nurtures scalable innovation and shapes the future of the industry through early-stage investments in sustainability, technology, and consumer brands. Our goal is to create long-term value by futureproofing our enterprise and providing agile solutions for the future. Our investment strategy is synergised with the fashion value chain, our customers, suppliers and other relevant stakeholders.

Constant innovation is essential to ensure that we keep pace with changing customer behaviours and preferences. We incubated PDS Ventures with the sole objective of contributing towards creating a circular ecosystem and ensuring a safe future for people across the fashion value chain. With aligning fashion, technology, and sustainability, future-ready investments have been made with the True PDS Fund (focused on sustainable & digital-first apparel brands), Apex Black VC Fund (centric on AI/ML business disruptions), and Yellow Octopus x PDS Impact Fund (committed to making the fashion supply chain circular).



We are collaborating with






Materra is a planet-centric technology company on a mission to supercharge a revolution in cotton farming to enable resilient and equitable cotton production at scale. Materra is a growing team of amazing designers, engineers, scientists, farmers (and more) on a mission to accelerate the transition to a net-positive fashion industry in harmony with people and planet. Starting at the base of the pyramid, with higher quality and more sustainable raw materials. Focus is on building resilient farming systems to empower more sustainable cotton supply chains.


Sustainable cotton revolution

Cotton is the most widespread and profitable non-food crop globally. However, growing cotton adversely impacts the environment. While using 2.5% of agricultural land, it requires a colossal 16% of the world's insecticides and has a tremendous water footprint when its cultivation is mismanaged. Moreover, its opaque and complex supply chain leads to a lack of transparency in terms of working conditions.


Materra advocates for a metric-driven approach to sustainability assessment. Termed 'future-proof cotton,' their approach encompasses efficient resource utilisation and climate change mitigation. Additionally, the Company transforms abandoned or brownfield land into productive agricultural areas, fostering biodiversity and carbon sequestration efforts.




Higher yields: Up to 4 times more yield per surface area compared to conventional cotton farming.



Higher quality: Materra's cotton exhibits superior fibre strength, length and uniformity.



Higher resource efficiency: Requires up to 80% less water and can reduce CO₂ emissions by approximately 30%.



Radical transparency: Unprecedented insights into the environmental footprint and transparency throughout the supply chain.



Transforming fashion waste into sustainable home décor and other products

With a vision of staying invested in a zero-waste future and perceiving this untapped opportunity to turn trash into treasure, Upcycle Labs came up with the innovative idea of repurposing surplus production and textile waste from high-end labels and retailers into decor products, store fittings and more

What we do

- Services- Inventory destruction
- Products- Home decor, Store fittings and others

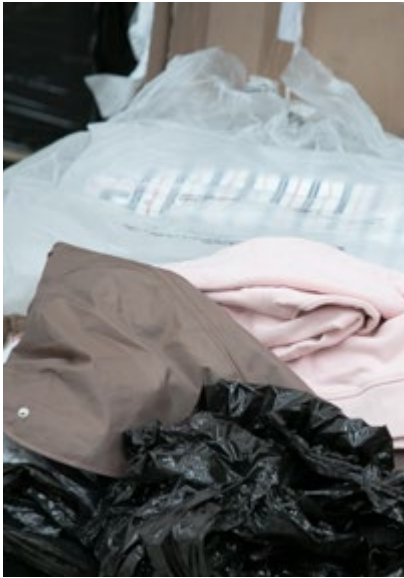
- Boosts Sustainability Credentials
- No Waste No Incineration
- Total Brand Protection
- Increase Revenue

A win-win for all

Upcycle Labs' repurposing technology enables individuals as well as organisations across the entire fashion value chain and related communities to invest in a lucrative solution for fast fashion waste handling and champions their vision to become planet friendly.

Upcycle Labs patent pending technologies is applied for unique 100% regeneration process

Surplus stocks



Finely milled



Artistic objects created





05

Compliance

We place a strong emphasis on structuring a strong compliance framework encompassing all applicable laws, regulations, and industry standards, including those related to labour rights, environmental impact, and product safety. We hold ourselves to high ethical, transparent and responsible standards as part of our commitment to being a responsible corporate citizen. It is our expectation that all of our business partners share these values and adhere to our Codes of Conduct and Compliance measures, which aim to ensure a sustainable supply chain. We have established strict standards that will not tolerate any violations.

Supplier Code of Conduct

Our supplier Code of Conduct is founded upon the values and principles established by our customers, the United Nations' Declaration of Human Rights, as well as numerous ILO core conventions. In addition, we have taken strides to integrate the perspectives and insights of non-governmental organisations. Our organisation has established unequivocal standards that are strictly enforced with zero tolerance for any violations in instances where our customers have not established a policy on sourcing.



The audit violations are categorised into 'Critical violation' and 'Zero Tolerance Violations'. Any ZTV violation entails the automatic termination of any partnership with the supplier.

Onboarding new factories

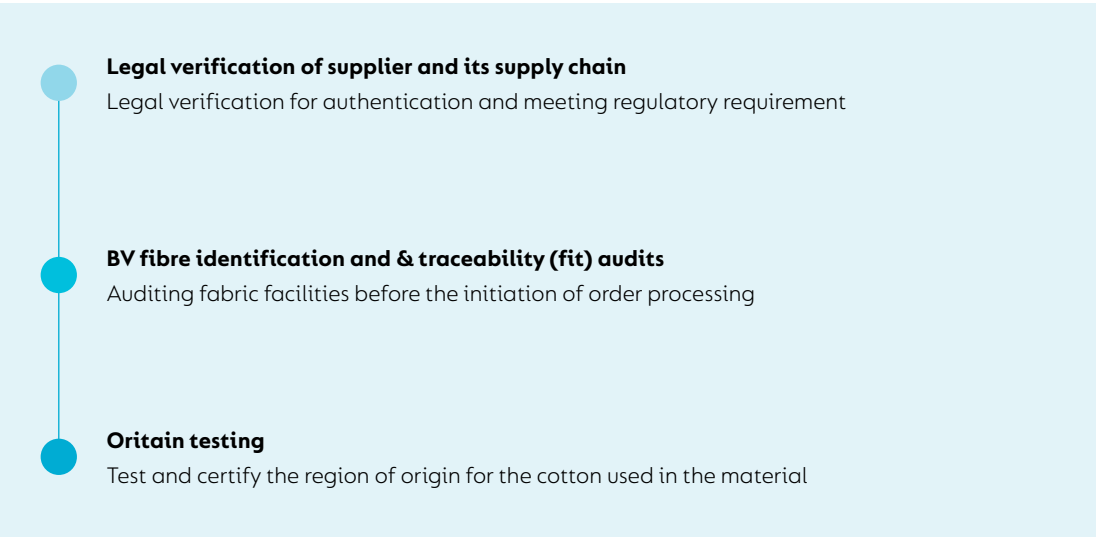
Our structured onboarding process for new factories includes six steps to ensure compliance with regulations and customer expectations. From submitting a new factory request form to adding the factory in SAP, the process involves third-party audit reports, internal audits, and customer approval. We place a strong emphasis on addressing critical violations and maintaining compliance standards for both new and existing factories.

Our new factory onboarding process



Cotton traceability

PDS is now building future capabilities in delivering traceability. The implementation of cotton traceability holds significance to upholding ethical and social responsibility, ensuring quality control, complying with regulations, and meeting consumer expectations for transparent and responsible sourcing practices. We have three pillars for cotton traceability which includes





06

Building a culture of excellence

At PDS, we remain committed to our people-first philosophy. Our commitment to our employees is reflected in the values that we cherish: respect, diversity and inclusion, which drives our business forward. We continue to build a high-performance, value-based and growth-oriented culture that attracts and retains the best talent, fosters innovation and creativity, and enables us to accomplish our goals. Our presence across 22 countries with 60+ offices is built on the bedrock of our diverse workforce. Our teams represent a range of nationalities and ethnicities that unites us in our shared commitment towards our long-term goals.



58%

Women in workforce

10,133

Global workforce
(Employees and factory associates)

25+

Diverse nationalities

Great Place to Work®



We are committed to promoting employee well-being, learning and diversity. We recognise that happy and healthy employees are more productive and engaged. We continue to support their personal and professional growth by offering upskilling opportunities, such as courses and project management assignments. By prioritising employee happiness and well-being, we ensure a productive and positive work environment for all.



Raamann Ahuja, Global CHRO

Entrepreneurial mindset

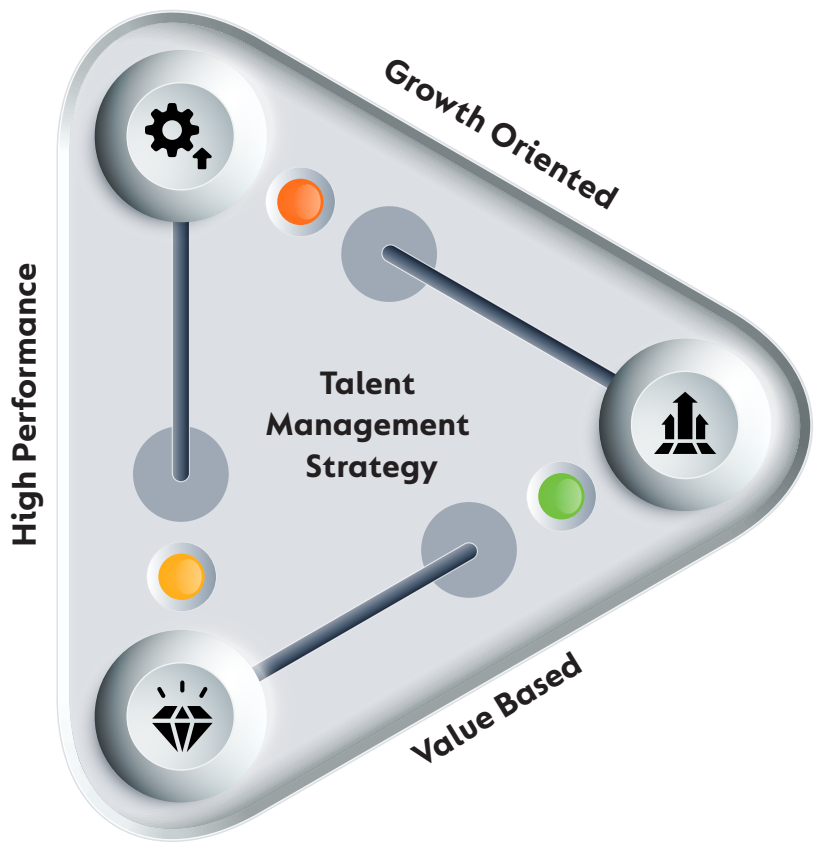
At PDS, we prioritise innovation, creativity and adaptability at our workplaces, while upholding the entrepreneurial spirit. We encourage employees to think outside the box, take calculated risks, and continuously adapt to changing market conditions. An entrepreneurial model in the workplace leads to increased competitiveness, growth and success for the company and its employees.

We value an entrepreneurial mindset among our employees, recognising that it is essential for being future-ready and driving value creation. By nurturing an entrepreneurial culture, we are empowering our employees to take ownership of their work and drive performance to new levels. Through a focus on innovation, our employees are well positioned to deliver exceptional value to our clients and contribute to the Company's continued success.

Unlocking potential, driving success

Our people-first value is embedded in our talent management strategy which focuses on identifying and nurturing top talent, promoting diversity and inclusion, and enabling employees to grow and develop their careers within the Company. For business like

ours, a holistic talent management framework empowers our employees to take ownership for their work. We have developed a people agenda that aligns with our business strategy and long term growth aspirations.





Expanding horizons - Learning and development

We believe that continuous learning and development are essential for staying ahead of the curve and thriving in today's fast-paced business environment. Our commitment to learning and development is driven by our desire to disrupt the industry, grow our business, and build next-generation capabilities in our employees. We have a range of training programs designed to address different aspects of training, including managerial skills, soft skills, and technical skills. Our training programs are designed to be immersive, engaging, and practical, enabling employees to learn new skills and apply them to their work.

Leadership development program

We invite renowned Harvard Professor Mr. Tarun Khanna every quarter to take sessions for our senior leaders. In FY22-23 we have conducted four such case study discussions for the PDS Leadership, covering leadership traits such as collaboration, sustainability, teamwork, and managing change.

600

Learning hours

Leaders connect

We have also tied up with IVY which is a community where 10,000 CEOs and rising leaders connect. This helps provide immediate actionable learnings and spark transformative peer-to-peer connections to drive action through custom programs.

4

Sessions conducted

400

Learning hours

Cross-functional training

Cross-functional training is critical for developing well-rounded employees who can thrive in a range of roles. By investing in cross-functional training, we are building a team of talented employees who are well-equipped to partner along the company's journey of future growth.

Openness and collaboration

Transparency is key to building a culture of trust and openness, and emphasising our 'people-first' culture. We recognize that our employees are our most important stakeholders, and as such, we are committed to keeping them informed about the Company's progress, challenges, and plans for the future.

To achieve this, we have implemented regular town hall meetings, both at the group level as well as at the business vertical level, where employees have the opportunity to hear directly from the senior leadership about the Company, its strategy, and its goals. All employees are encouraged to ask questions, share their concerns, and provide feedback – which are all addressed by the leadership during the town hall. By creating a culture of transparency through town hall meetings, we aim to foster an environment of open communication and collaboration.

In FY22-23, we conducted 2 global townhalls, each with over 1,500 employees in attendance.

Building a diverse and inclusive team

Diversity and inclusion are fundamental pillars of our philosophy. We believe that every individual brings a unique set of skills, experiences, and perspectives to the workplace.

We take pride in the fact that our workforce is incredibly diverse, with employees from more than 25 countries around the world. Our team leaders also hail from different nationalities. We strive to create an environment where everyone feels included and valued. Fostering a culture of inclusion is critical for attracting and retaining top talent, and for creating a workplace where everyone can thrive.

80%

Employees at our manufacturing facilities are woman.



PDS LEADERSHIP ACADEMY

A self learning platform to help employees stay focused on the future and support in their growth ambitions

Reward and recognition

Rewards and recognition play a crucial role in employee engagement and we are committed to investing in initiatives that celebrate and acknowledge the hard work and dedication of our employees. Our aim is to create a sense of accomplishment, foster a culture of innovation, and drive overall performance.

Rewarding and celebrating talent

We acknowledge and appreciate our employees' efforts and contributions, as well as those of our business verticals.



PDS Business Awards

The annual business awards event is a highlight of our calendar year, and which recognizes and celebrates the accomplishments of businesses.

13

Award categories in FY23

PDS Living the Values Awards

Conducted bi-monthly, these awards are focused on rewarding individuals that have risen above and beyond to live the PDS core values to make a significant impact on business outcomes.



- Demonstrating our Commitment to a People-Centric Culture
- Employee Motivation
- Long-Term Incentivisation

200

Employees nominations from people managers across locations

30

Employees received the PDS Living the Values award





SUSTAINABLE PROGRESS

SUSTAINABILITY MADE SIMPLE

Our sustainable practices are aimed to reduce our environmental footprint, meet consumer demand for sustainable apparel and build a stronger quotient for sustainability in a rapidly changing market.

Our long-term sustainability goal is to make fashion and design readily available to a wide audience, while ensuring that our efforts are beneficial to people and the planet. We strive to become the ‘first-choice’ supply chain partner and contribute to the development of a circular economy and climate-positive fashion industry.

In an industry that needs to move faster towards building a circular economy and reducing negative environmental impact, we are making progress towards our sustainability goals in various areas such as material sourcing, transparent supply chain and so on.

Co-creating a better tomorrow

Our continued focus on ESG is driven by our strong sustainability goals centred around inclusivity, diversity, ethics, transparency and a greener tomorrow.



Sustainability has become a key factor in measuring ‘business excellence’ in our industry. We have set ourselves targets that will help all of us to deliver a better environment for future generations.



Paul Wright
Group ESG Director

Performance highlights

Norlanka, a PDS company, is on course to becoming **Carbon neutral** By 2025

58%

Of the total workforce are female

₹2 Cr+

Contributed to social initiatives

PDS is signatory to **United Nations Global Compact** on human rights, labour, environment and anti-corruption

86%

Response rate received for the Great Place To Work® certification

70,500 kWh

Of Green energy installed

New wash plant installed in Association with **Good Fashion Fund***

* At Progress Apparels, a PDS group company

Sustainability Pillars

Our drive towards sustainability goals is backed by strong support from our corporate leadership. As part of our sustainability strategy, a dedicated sustainability team oversee the long-term sustainability goals centered around of our four sustainability pillars.

Transparency



Respect Water



Reduce Emissions



Think Circular



Build Community

Traceability

01

Respect water

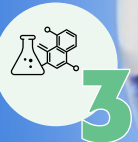
We continue to actively seek out sustainable measures and raw material that help us mitigate the depletion of our natural resources and adverse effects on the environment . Water Conservation is a key pillar of our environment agenda, achieved through targeted measures across out manufacturing facilities in Bangladesh and Sri Lanka.



Reducing Raw Material Extraction



Waste Water Management



Chemicals Management



Company Lifestyle Choices



Water Usage



Sanitation





Initiatives undertaken



**Green Smart Shirts Limited,
Bangladesh – (GSSL)**

- Water pressure reduction valves introduced to reduce water usage
- Undertook specific water usage and reduction trainings for employees
- Installed condenser reserve tank to reuse water from boiler and steam generated
- Implemented rainwater harvesting pond of **6,50,000** litres gallons



**Progress Apparels (Bangladesh)
Limited, Bangladesh - (PABL)**

- Excessive steam pipe water reused in factory boiler
- Installed water flow meter to monitor water consumption
- Installed auto-stop taps at multiple locations
- Undertook specific water usage and reduction trainings for employees



**Norlanka Manufacturing,
Sri Lanka**

- Rainwater harvesting program implemented aimed at harvesting collected rainwater through roof's catchment area
- Collected rainwater is expected to be injected in deep wells



02

Reduce emissions

Our Norlanka manufacturing unit in Sri Lanka, is on course to being a truly sustainable organisation. We have actively taken measures to contribute positively towards global action to minimise climate change and global warming. At Norlanka, we have implemented a solar panel installation project from which we generate more renewable, clean energy than our factory consumes. This results in a net positive effect on our carbon footprint.

1,575

Solar panels installed

70,500 kWh

Average monthly output

397 tonnes

Average annual (CO₂ e) savings

Did you
Know

Mangrove ecosystems of Sri Lanka are rapidly degrading due to the pollution caused by various human activities. Our Norlanka manufacturing unit along with University of Kelaniya, undertook the project to restore the mangrove forest. During Phase 1, we have restored 700+ mangrove plants that will have total carbon sequestration of 7,995kg per year. Phase 2 of the project involves regular monitoring of the changes in the restored mangrove cover. During the first two years, regular monitoring of growing seedlings and maintenance work needs to be carried out to ensure the plants grow properly.





03

Think Circular

We are taking strides towards creating comprehensive circular models for our global brands and retailers. In our approach to ‘think circular’ we are building sustainable ecosystems through innovation to benefit a wider stakeholder audience.

Through our joint venture with Yellow Octopus, our various PDS Venture investments we are investing in businesses and technologies that are innovating in the circular fashion space. These investments enable us to give a second life to a garment or upcycle/recycle garments for alternate uses.

04

Build Community

We continue to place utmost importance on creating and contributing efforts that make a positive impact on the communities we touch at multiple locations. Through our and collaborative efforts, we are generating positive social and economic value for the lives within the communities we operate. Refer to the next section for our community initiatives.





EMPOWERING COMMUNITIES THROUGH CORPORATE RESPONSIBILITY

At PDS, our corporate citizenship is reflected in the way we focus on nurturing our community relations and empowering society. We adopt an integrated approach to address community, societal & environmental concerns.

Education

We partner with SOHAM For Kids (Hyderabad, India) and SOHAM for All (Hope Worldwide) (Dhaka, Bangladesh) provide education support to children. This is a holistic approach to helping children by providing them with healthcare, nutrition (two balanced meals a day), and education. It also helps parents of the children by providing them with vocational training to help them build a livelihood.

By providing a comprehensive platform for learning, we are dedicated to

promoting holistic growth and development to the beneficiaries. During the year, we have made remarkable strides in empowering and uplifting the community through a series of diverse initiatives. Key activities included book and uniform distribution at the beginning of the new academic year, conducting parents' meetings and study tours, celebrating annual sports day, international mother language day, Independence Day, and recognizing the talent with a certificate giving ceremony.

By focusing on creating a supportive, inclusive environment and addressing various aspects of individual growth, such partnerships like SOHAM and Hope Worldwide continues to make a profound impact on lives.

576

Lives touched through Soham



PDS's UK subsidiary partnered with the Abinta Kabir Foundation, a non-profit organization in Dhaka, Bangladesh, dedicated to empowering underprivileged girls through education. At the heart of its initiatives is the Abinta Kabir Foundation School, an all-girls institution providing a comprehensive education that nurtures intellectual, emotional, and social growth. The school's innovative curriculum emphasises critical thinking, problem-solving, creativity, character development, and community engagement, fostering well-rounded individuals who can positively impact their communities. By investing in the potential of these young women, we are



helping to transform lives and contribute to a brighter, more equitable future for all.

100+

Girls benefitted in FY23

Relief initiatives during natural crisis

Turkey had recently faced a severe natural calamity in early 2023, resulting in extensive damage and distress to its populace and infrastructure. We have undertaken relief efforts and partnered with several non-governmental organizations (NGOs) in Turkey. Our business across geographies came together and extended support towards earthquake relief in Turkey and contributed to the Common PDS Turkey Earthquake Relief fund. Our team in Turkey has actively distributed blankets, cartons of cold-weather clothing, and sleeping bags to those affected.

Community kitchen in Sri Lanka

In an effort to combat hunger and promote greater access to nutritious meals for those in need, Norlanka has implemented Community Kitchen. Under this initiative, our dedicated staff members volunteered their time at the St. Anne's Church premises, distributing more than 200 warm meals daily. The Community Kitchen initiative has demonstrated a remarkable grassroots impact, effectively enhancing nutrition levels for vulnerable populations within the community.



~28,000

Beneficiaries

~130

Days served

Other Initiatives



Prithipura Children's Orphanage

We are contributing to home for people (children) with mental and physical disabilities.



Education

Distribution of school bags & stationery for 179 students in two remote schools in Trincomalee, Sri Lanka



GOVERNANCE

Our governance framework oversees our operations, risk management and accountability. This protects the interests of our stakeholders and the wider community.

Our effective governance practices encompass our operations across geographies that consider the social and environmental impact of our business decisions. We have developed robust policies and procedures to smoothly run our operations in compliance not only with local legal requirements but also in line with global best practices.



Key policies and processes

Our effective policies of governance make up the architecture that helps ensure a transparent, accountable and efficient operating environment for our team at PDS.

Bio Diversity Policy

Policy on Board Diversity

Employee Code of Conduct

Environmental Policy

Occupational Health and Safety Policy

Sustainable Packaging policy

Stakeholder Engagement Policy

Grievance Redressal Policy

Human Rights Policy

Sustainable Supply chain and Responsible Sourcing Policy

More on policies:
https://pdsdtd.com/investors/corporate_governance/#policies

Code of conduct

Our robust and well-designed code of conduct is set of rules and guidelines that helps create a safe and inclusive environment for all employees our company across the globe. The PDS Group Code of Conduct comprises of the following:

Trust, Integrity and Ethics

Transparency, Collaboration and Teamwork

Customer Centricity

Social Responsibility

People First

Entrepreneurial Spirit

Whistle-blower policy

We have a global the ETHICS GLOBAL HOTLINE which is available on our website and email signature through which any stakeholder (employee, vendor, customer) can raise their concerns on any untoward practice in the Company. Every complaint received through ETHICS GLOBAL HOTLINE is reviewed by the Vigilance Officer / Ombudsman.

Profile of Board

Our Board of Directors comprises of individuals from diverse backgrounds, experience, knowledge, gender and other factors. A diverse Board brings a wider range of skills and expertise, leading our company to better decision-making and more effective leadership.

~55%

Independent Directors

2

Female members on the Board

Committee Composition

Audit Committee	Nomination and Remuneration Committee	CSR Committee	Stakeholders Relationship Committee	Risk Management Committee
<ul style="list-style-type: none">Yael Gairola, ChairpersonDeepak Kumar Seth, MemberNishant Parikh, MemberMungo Park, Member	<ul style="list-style-type: none">Robert Sinclair, ChairmanYael Gairola, MemberDeepak Kumar Seth, Member	<ul style="list-style-type: none">Mungo Park, ChairmanPallak Seth, MemberParth Gandhi, Member	<ul style="list-style-type: none">Parth Gandhi, ChairpersonRobert Sinclair, MemberDeepak Kumar Seth, Member	<ul style="list-style-type: none">Nishant Parikh, ChairmanParth Gandhi, MemberDeepak Kumar Seth, MemberPallak Seth, MemberSanjay Jain, MemberRahul Ahuja, MemberSuresh Punjabi, Member



BOARD OF DIRECTORS



Deepak Kumar Seth
Chairman
Non-Executive and Non-Independent



Deepak Kumar Seth is the Founder and Group Chairman of four well-known apparel manufacturing and sourcing and education groups with a footprint across more than 20 countries – PDS Limited, Pearl Global Industries Limited, Lerros Moden GmbH, and Pearl Academy of Fashions. He has also set up many philanthropic organizations dedicated to community service. He is one of the pioneers of the apparel manufacturing business in India. Being a visionary, he identified the potential of the Far East region as a major hub of the garment industry worldwide and set up business units to provide a 'one stop' manufacturing and sourcing solutions to leading retail brands across the globe.

He is an active member of the 'Apparel Export Promotion Council' (AEPC) of India and held the post of 'Vice Chairman' of the Eastern Region of AEPC for 2 years. He is also an executive member of the 'Apparel Exporters and Manufacturers Association (AEMA)' and was awarded 'Udyog Ratna' Award by the Haryana Government in 2006 for his entrepreneurial skills. He is an Economics graduate from St. Stephens College, Delhi University, and holds an MBA degree from Jamnalal Bajaj Institute of Management Studies, Mumbai, India. Recently, He has been awarded an Honorary Doctor of Philosophy Degree (Ph.D.) by UPES in honor of his exceptional journey as a self-made entrepreneur and is widely regarded as one of the pioneers of apparel sourcing and manufacturing in India.



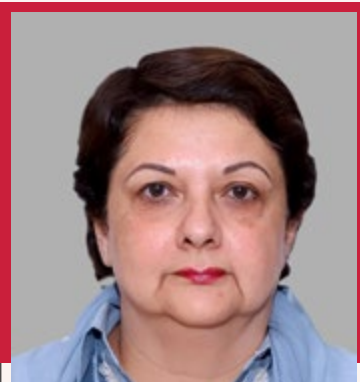
Pallak Seth
Executive Vice Chairman
Executive and Non-Independent



Pallak Seth is a leading entrepreneur. At the age of 21, he started his entrepreneurial journey by setting up an apparel sourcing business in Hong Kong. In 1999, he established Norwest Industries, which has today diversified as PDS Limited. He supports ambitious founders to solve market frictions, leveraging technology as an angel investor alongside trusted partner. He had co-invested alongside many investors such as Sequoia Capital, Social Capital, Sherpa Ventures, Storm Ventures, Sierra Ventures and helped entrepreneurs through customers, co-investors, and partner introductions.

He is also Executive Director on the Board of Lerros GmbH, Germany, and External Advisor to Bain Advisor Network, Bain since 2019.

He has Bachelor of Arts Degree in Economics and International Business with Magna Cum Laude distinction from Northwestern University, USA. He is an alumnus of Harvard Business School.



Payel Seth
Non-Executive and Non-Independent
Director

Payel Seth is associated with the PDS group as a Promoter Director since incorporation. She has rich experience in designing and retailing Indian and Western garments, jewelry, and accessories. She is entrepreneurial by nature and has utilized her skills in the field of designing, general management, sales, and marketing with business development and change management for the development of the organization. Her retail initiatives include the establishment of retail stores in India. She has also been actively involved in the education and Corporate Social Responsibility initiatives of the Group.

Payel Seth graduated from the Pearl Academy of Fashion.



Yael Gairola
Non-Executive and Independent
Director



Yael Gairola is a C-Suite Executive with a track record of scaling, acquiring, and integrating Technology Companies and fashion Start-Ups. Her expertise is in Strategy, Change Management, Turnarounds, Scale-ups, Operations, Commercial, Digital Transformation, Acquisitions, and Post- Merger Integrations.

She is currently an Advisor to a number of digital-native start-ups in the space of sustainable fashion and circular economy. She is also a member of the Board of Directors of Finisterre, A UK-based B-Corp purpose-led outerwear and swimwear brand. Previously, Yael was the Chief Operating Officer of Pangaia Materials Science, an impact-driven direct-to-consumer company bringing breakthrough innovations and patents into the world through lifestyle products.

Yael was also associated with Coats Digital as Managing Director, Coats PLC as Group Director of Strategy and M&A, and The Boston Consulting Group as Consultant. Born in Israel, she holds a Bachelor of Laws from Hebrew University Law School (Israel) and Master of Laws from Columbia Law School (New York), and an MBA from INSEAD (Singapore/ France).



Mungo Park
Non-Executive and Independent
Director



Mungo Park has over forty years of experience in investment banking/ advisory. His industry specialization is technology innovation and implementation in sustainability, health, and information and communication technology. He is presently Chairman of Innovator Capital Limited ("ICL"), a London-based investment bank, founded by him in 2003 and focused on sustainable technology innovation and health. He is Official Nominator for Prince William and Katherine's Earthshot Prize and Senior Technology Adviser to the 44 Small Island Developing States. Prior to ICL, he was head of investment banking, globally, at Nomura, for the health and technology sectors. Prior to that, he represented 4 American investment banks in London: Alex. Brown, Dillon Read, Wertheim, and Cowen & Co. He launched the Gartner Group in Europe in 1981.



Robert Sinclair

Non-Executive and Independent
Director



Robert Sinclair was the President, Supply Chain of Global Brands Group (Part of Fung Holdings Limited Group). It is one of the world's leading branded fashion accessories, footwear, and apparel companies with wholesales of \$2.2 billion.

Prior to joining GBG, January 2016 until September 2018, he was responsible for overseeing one of four business units within the newly restructured entity of Li & Fung Trading i.e., LFS SCS3 - a US\$4.9 billion (FOB) business with 40 plus customers located in Asia, Latin America, North America, and Europe.

Before taking on the role as President of LFS SCS3, he was the Chief Operating Officer for Li & Fung Sourcing from April 2013 to April 2016 where he oversaw Sourcing Operations (Offshore Sourcing offices globally), Business Development and Strategy for Li & Fung's agency business concerning apparel, footwear, and hard/soft goods. In July of 2011, he joined Li & Fung Sourcing as an Executive VP responsible for the Sports and Lifestyle business unit, overseeing key customers such as Tommy Hilfiger, Calvin Klein Jeans, Timberland, DKNY Jeans, and several other accounts, totaling US\$1.4 billion at FOB.

Prior to this, he worked overseeing Sourcing responsibilities at VF Corporation and Global VP - Product Development at Ralph Lauren. He also founded a Hong Kong-based agency KOMPASS in 2002. It provides a design-driven, value-added service to clients.

He is a founding member and current Chairman of GAFTI (Global Apparel and Footwear Initiative). He is also an active member of the American Chamber of Commerce in Hong Kong and served as an advisor to the Asia Industry Advisory Network for the College of Textiles, North Carolina State University.

Born and raised in Canada, Ottawa, Robert holds a Bachelor of Arts Degree in Political Science from the University of Carleton, Ottawa, Canada and has lived and worked in Hong Kong, Singapore, and New York.



Nishant Parikh

Non-Executive and Independent
Director



Nishant Parikh is a Partner at Trilegal and serves on the firm's management committee. He has extensive 20 years of experience in the areas of corporate mergers and acquisitions, restructurings, equity and mezzanine investments, and contentious situations. He is widely acknowledged for his prowess in resolving complex matters and advising on corporate transformations and strategic outcomes.

Nishant has worked on varied matters, including takeovers and buyouts, takeover defense, strategic combinations, restructuring of distressed businesses, structuring financial solutions, and business-critical corporate litigations and arbitrations. He regularly advises corporates and corporate boards, private equity funds, business groups, alternative investment managers, financial institutions, and banks. He also advises businesses on reputational risks, and government and regulatory investigations and actions.

Nishant holds the degree of BA LLB (Hons.) from the National Law School of India University. Mr. Parikh Ranked in the Chambers and Partners Asia Pacific Guide 2020-22, for restructuring, PE, and corporate M&A and appears in the IBLJ A-List of India's Top 100 lawyers.

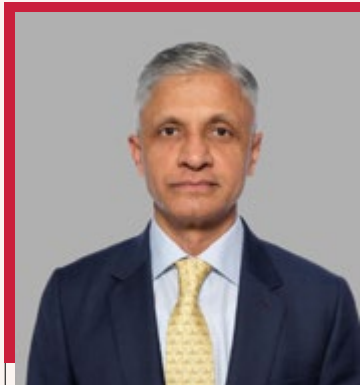


Parth Gandhi

Non-Executive and Non-Independent
Director



Parth Gandhi is a senior investment professional with significant experience in India for over two decades. Previously, he was a Senior Partner and Managing Director at Apollo Global Management, India joint venture with ICICI - AION. Parth serves on the International Advisory Board for Michigan State University, is a charter member of TiE Global (The Indus Entrepreneurs), and an active member of The Explorers Club and ASSOCHAM (The Associated Chambers of Commerce and Industry of India). In his previous roles, Parth was a Managing Director at Navigator Capital Advisors Limited and prior to that was a Consultant with Ernst and Young.



BG Srinivas

Non-Executive and Independent
Director

BG Srinivas is a global business executive with over 36 years of experience across diverse set of industries. He has played leadership roles across multiple markets in US, Europe & Asia with leading global companies, including PCCW Ltd, Infosys Ltd. and ABB, all public listed entities. Mr. BG Srinivas was appointed an Executive Director and Group Managing Director of PCCW effective from July 2014 and served the company till Feb 2022. He was a member of PCCW's Executive Committee. He was also a Non-Executive Director of HKT Limited (HKT) and HKT Management Limited, the trustee-manager. He was chairman of PCCW Media.

Prior to joining PCCW, BG Srinivas has worked for 15 years with Infosys Group, where his last role was the President and Whole-time Director of Infosys Limited. He had been the Chairman of the board of Infosys Consulting. He was also the chairman and executive director of Infosys Australia. Srinivas led several key portfolios namely financial services, manufacturing and public services. During his tenure at Infosys, he played a pivotal role in building the Enterprise Solutions Unit, significantly expanding Infosys Europe and driving growth in several key business verticals. Prior to that, Mr. BG Srinivas worked for 14 years with Asea Brown Boveri (ABB) Group, where he held several leadership positions.

He has been on the panel of judges for the European Business Awards (EBA) for three consecutive years and is a frequent speaker at academic institutions such as INSEAD and Saïd Business School, Oxford. BG Srinivas holds a degree in mechanical engineering from Bangalore University, India, and has participated in executive management programs including at Wharton Business School, US, and Indian Institute of Management Ahmedabad (IIMA), India.



LEADERSHIP TEAM



Sanjay Jain
Group Chief Executive Officer

Sanjay Jain is a dynamic professional with rich experience in the Retail and Media & Entertainment industries. For close to three decades, he has been instrumental in leading transformation across various industry-leading conglomerates.

Before joining the PDS, Sanjay Jain was associated with the Future Group as the CEO of Future Retail Limited, and the Group CFO of Future Group.

Sanjay was earlier associated with the Zee Group and the Avantha Group, holding leadership positions in domestic and international markets. Based in Belgium for one of his assignments, he was part of the senior team responsible for the integration of acquired companies, turning them around, and putting them back on the growth agenda.

Sanjay Jain has been honored as a 'Best CEO' and 'Best CFO' by esteemed organizations. He is a gold medalist during graduation and has a Master's degree in Management. He is a Science Graduate with an MBA degree in Finance. He is also a certified Six Sigma Black Belt.



Rahul Ahuja
Group Chief Financial Officer

Rahul is a seasoned finance professional with 27 years of industry experience. He has spent 15 years in corporate banking with pedigree foreign institutions including Standard Chartered, Scotiabank, GE Capital. In his previous assignment, he was the President & Dy CFO for HDFC Ergo General Insurance. During his career, he has been in the CFO role for the last 12 years, during which he has also worked with Max India Group and Bharti AXA General Insurance. He has handled large corporate accounts in the apparel and textile sector and has rich experience in fundraising, cash management, mergers and acquisitions, private equity transactions, business structuring to unlock value, turning around businesses, business transfer, shareholder & joint venture management, and investor relations. Rahul has hands-on experience in risk management, managing investment portfolios, financial planning and analysis, budgeting, and forecasting, and improving productivity and operational processes. He also has vast experience in dealing with the board of directors and shareholders and has served on the board of multiple companies.

Rahul holds a Bachelor's degree in Commerce from Shri Ram College of Commerce, University of Delhi, and is a qualified Chartered Accountant.



Ajay Thakkar
Group General Counsel

Ajay is a seasoned legal expert with 22 years of rich experience in Legal, Mergers and Acquisitions, Corporate Secretarial, and Insurance functions. He is well acquainted with global laws and legal requirements across various geographies, along with a deep understanding of compliance requirements. Ajay brings a depth of experience in Corporate Secretarial functions, conducting compliance audits, and managing intellectual property for organizations from end to end.

Ajay joins us from All-Cargo Group, India's first multinational in supply chain management, and a global logistics powerhouse of more than USD 2.6 billion having a global network of more than 300 offices in 180 countries. Ajay was the Global Head – of Legal & Compliance. He has previously worked with reputed multinational organizations such as Essel Propack Ltd., TATA Motors Ltd., JB Group, Mega Life Sciences (Bangkok), Parle Exports Ltd. and RPG Life Sciences Ltd., where he handled the Legal & Secretarial function for multiple countries. Ajay holds a master's degree in Law from the University of Mumbai, India, and is a fellow member of The Institute of Company Secretaries of India and The Insurance Institute of India.



Paul Wright
Group ESG Director

Paul brings with him 35 years of rich experience in the fields of Retail and Manufacturing. He started his career in garment manufacturing in the U.K. as an engineer, before moving into Production and Quality management and running manufacturing facilities in Morocco and Portugal. His retail experience involved running teams responsible for Ethical Sourcing, Quality, and Sustainability covering all types of products from Apparel, H&B, and General Merchandise for several leading retailers.

He joins us from Dunelm, where he was working as Sourcing & Quality Director. He has previously worked with reputed organizations such as Primark, Asda, George Clothing, and Matalan PLC.



Raamann Ahuja
Group Chief Human Resource Officer

With over 25 years of rich experience, Mr. Raamann Ahuja brings extensive experience of 25 years in business partnering, leadership development, talent management, HR transformation, M&A, HR process, and organization culture building. Prior to PDS, his last appointment was with the CK Birla Group as Senior VP - HR in the Group Office. Raamann has also worked with reputed global MNCs like HSBC, Standard Chartered, Deutsche Bank, and Thermo Fisher Scientific, besides working with very reputed Indian companies like Asian Paints, Intelenet Global (founded by Tatas, and HDFC). With Thermo Fisher Raamann has been HR Head for Middle East, 11 countries in Southeast Asia, and India. Additionally, he also has worked in the US and Singapore leading various HR portfolios of corporates.

Raamann brings a rich diversity of cultural & international experience which will further add strength to our leadership team. He has a post-graduate Management degree in Human Resources and is a Chemical Engineering graduate from Panjab University, Chandigarh.



Saurabh Saxena
Group Chief Information Officer

Saurabh Saxena is a seasoned professional with over 20 years of experience. Prior to joining PDS, Saurabh was with IBM for over 10 years. He was the Head of Analytics, Strategy, Insights & Operations (ASIO) for IBM Cloud (Data & AI, Automation and Security) business in the Middle East & Africa. He has extensive professional experience with management consulting & advisory, P&L ownership, and operational leadership including various disciplines like data analytics & insights, project management, sales & business operations, enterprise solutions, and product management. Previously, he has consulted CXO's and entrepreneurs on data and AI solutions.

Saurabh is driving PDS Group's Digital and IT Transformation Agenda and focusing on Integrated Business Processes (SAP), Supplier Collaboration, Customer Engagement, Analytics, Product design & development-Commerce, and IT operating model.

Saurabh holds an MBA (IT systems, Strategy and Marketing) and a B.E degree in Computer Science Engineering. He is a recipient of multiple awards and recognitions, including IBM BTLT (Business, Technology & Leadership Talent) and IBM Service Corps alumni – some of the highest levels of leadership recognitions in IBM.



Abhishekh Kanoi
Head of Legal & Company Secretary

Abhishekh Kanoi is a Fellow Member of the Institute of Company Secretaries of India and holds a Bachelor's Degree in Law. He is also an Associate Member of the Chartered Institute for Securities & Investments, United Kingdom and Commerce with (Hons.) in Accounts. He has a rich and diverse corporate experience of over 17 years in Legal and Commercial Spaces across various industries with wide array of specialization includes Legal Affairs, Corporate Secretarial, IPO & Listing, Regulatory Compliances, RBI & FEMA Matters, Merger & Acquisition, Listing Compliances (India & Overseas Entities), Venture Capital Investments, Cross Border and Domestic Transactions, Intellectual Property Rights, Media and Entertainment Laws with special reference to emerging technology and convergence.

Abhishekh has earned the respect of the industry and was adjudged as Chief Compliance Innovator of the Year by UBS Forum in the year 2019, Young Achiever of the Year by Legal Era in the year 2021, Awarded by LexTalk World 2022 for impactfully contributing to the legal industry and Policy and Regulatory Lawyer of the Year by Legal Era in the year 2022 and General Counsel of the Year by Forbes India in 2023. He has helped to develop a new global legal and governance framework for the company while ensuring its overseas expansion is brought into line with this centralized approach.



Shahed Mahmud
Country Director - Bangladesh

Shahed joined the PDS in 2006 for its UK Operations to oversee warehouse and logistics operations. Subsequently, in 2010 he moved to Bangladesh and since then he has been managing commercial and logistics operations for the group in the area of commercial matters with factories, forwarders, customs, import & exports, documentation, Shipping, CAF, etc., and closely worked with the Group CFO and other CFO/FCs to facilitate commercial functions. Later, Shahed took the leadership of OSG BD operations as Director and drove all Operations with success.

Prior to PDS, Shahed played a key role in different multinational companies in similar areas. Shahed is a Master of Business Administration.



Suresh Punjabi
Executive Director - Internal Audit, Assurance & Risk Management



Suresh is a Chartered Accountant from India with experience in Retail, Fashion, Supply Chain, Logistics, Stock Exchange, Education, and Management Consultancy domains. He has a rich experience of over 25 years including international experience of over 12 years in the United Kingdom. In his previous assignment, he was Head of Internal Audit at Future Group and was leading the Internal Audit Function for over 10 years. He focuses on GRC frameworks (Governance, Risk Management and Compliance). Design/ improve integrated Internal Audit function, develop Internal Control frameworks, design policies, help design Standard Operating Procedures, Information Security, and develop enterprise risk mitigation strategies, optimize revenue, cut costs and enhance stakeholders value in a specific, measurable, achievable, realistic and time (SMART) bound manner.



Reenah Joseph
Head – Corporate Finance, M&A & Chief Investor Relations Officer

Reenah Joseph has over 16 years of experience in corporate finance, fundraising, strategy, and investor relations. Prior to joining PDS, she was with Future Group for 10 years and has led various fundraising transactions (equity, debt, structured, IPO) and has experience in end- to-end deal execution including due diligence, valuation, negotiation of agreements, taxation, and structuring, amongst others. She has also led various strategic business collaborations with marquee global organizations. She has been responsible for creating business plans, annual budgets, and strategic planning amongst others. Prior to Future Group, she was associated with the Credit Suisse Investment Banking division for nearly 3 years. She has worked across sectors including retail, consumer, supply chain, and insurance, and worked in the healthcare space during her early years.

A gold medalist in her MBA, she has completed a Mergers & Acquisitions Program with Harvard Business School & Advanced Program in Strategic Management from IIM Calcutta.



Kanhai Trivedi
Executive Director – General Procurement

Kanhai is an accomplished professional with extensive experience of more than 20 years in leading material procurement functions in the apparel industry. His experience has allowed him to gain a broad range of expertise in global material procurement, planning, leadership, process improvement, supply chain management, target costing, and operational excellence. Prior to joining PDS Limited, he was a Director with MUST Group, Hong Kong.

Kanhai is instrumental in leading and developing global options for sourcing trims at the best and sustainable prices and analyzing current sourcing practices as well as defining best practices for sourcing trims and supplies for group companies.

Kanhai graduated from the University of Mumbai and has a diploma in computer programming and information technology.



Pankaj Srivastava
Vice President – Fabric Procurement

Pankaj joins us from Shahi Exports Limited (one of the largest garments manufacturing companies with sales of over USD 1bn). He worked as Associate Vice President – Fabrics Supply Chain doing a turnover of USD 400 mn in woven and knitted casualwear garments. He was managing a 100-member team across multiple locations, meeting deliveries of fabric in the required quality and price as per the required TNA for factories. He has previously worked with organizations such as Unitrading Co. Ltd., Korea, and Vardhman Spinning & General Mills Ltd.

Pankaj brings with him over 21 years of rich experience across the entire Textile Supply Chain, including Fabric Sourcing and Marketing. He has worked extensively in the fields of System Development and culture building, Supply Chain Management, and Process Controls to ensure delivery. He is currently focused on Sustainability and Traceability in a highly dynamic fashion fabrics world.

He has an MBA in Marketing and has completed his engineering from PAU, Ludhiana.



INDUSTRY REPRESENTATION

Sustainable Apparel Forum

The Sustainable Apparel Forum (SAF), a recurring gathering in Bangladesh, convened experts from the textile and apparel industry, policymakers, and stakeholders to discuss sustainability issues and initiatives. The fourth installment of the SAF, held in 2023, placed emphasis on circularity, CO2 reductions, climate action, renewable energy, and human rights due diligence. Through this event, the SAF 2023

aimed to narrow the knowledge gap by implementing meaningful efforts that promote awareness, standardize sustainability objectives, and facilitate the exchange of diverse perspectives on critical sustainability, circularity, and traceability challenges facing the fashion sector.

As part of our commitment to sustainability, we participated in the

event to showcase our sustainability initiatives, including our engagement with Upcycle Labs and our investments in wash and central cutting plants in Bangladesh, which aim to achieve our ESG goals and promote a sustainable and environmentally ethical apparel manufacturing value chain for all stakeholders.



Made in Bangladesh Week

Made in Bangladesh Week, the country's biggest-ever event in the apparel sector, was a weeklong event that aimed to promote the textile and apparel industry of Bangladesh internationally. The event was inaugurated by Bangladesh Prime Minister, Sheikh Hasina, and brought together all stakeholders of the Bangladesh apparel industry to initiate a

collaborative effort towards reinforcing Bangladesh's market share in the global apparel industry.

The event included various activities such as Dhaka Apparel Summit, Bangladesh Demin Expo, Dhaka Apparel Expo, awards, exhibitions, factory tours, cultural shows, and a networking dinner.

The event showcased the potential of Bangladesh's textile and apparel industry. The presence of potential new buyers during the event raised hope for increased business in the country. The event also highlighted global best practices that help create a sustainable and strategic alliance in a diversified and innovative industry.



Management Discussion and Analysis



1. Economic Overview

1.1 Global economy

The global economy weathered the impact of sustained inflationary pressure and the geopolitical conflict in Europe. While economic activity continued to be weighed down by interest rate hikes by Central Banks and the impact of the geopolitical crisis in Europe, pent-up demand in numerous economies is expected to usher in a faster-than-expected recovery. Moreover, inflation is also anticipated to decline from 8.7% in CY 2021-22 to 7% in CY 2022-23¹. Moving ahead, emerging and developing economies are likely to contribute towards accelerated global economic growth.

As per International Monetary Fund projections, India and China are expected to contribute more than half of global growth in the calendar year (CY) 2022-23. Emerging Markets and Developing Economies (EMDEs) are likely to expand by 5.3% in CY 2022-23, emphasising the fact that the economic headwinds faced by the Asia Pacific region have begun to fade. Central Banks around the world are also monitoring liquidity positions closely and aiming to boost sentiment.

The future of the global economy, however, is critically dependent on the proper calibration of monetary policy, the course of the war in Ukraine and the impact of pandemic related supply-side shocks. Reduction in fuel and energy prices, particularly in the United States, Euro area, and Latin America, has helped to rein in global headline inflation. It has also helped to improve consumer sentiments.

India and China are expected to contribute more than half of global growth in CY 2022-23, according to the International Monetary Fund.

¹IMF



GROWTH PROJECTIONS BY REGION

Global Growth

Real GDP growth, percent



United States of America



Europe



Middle East & Central Asia



Emerging & Developing Asia



Latin America & the Caribbean



Sub-Saharan Africa



Source: IMF World Economic Outlook, April 2023.

1.2 Domestic economy

The Indian economy demonstrated phenomenal resilience in the face of global economic challenges in FY 2022-23. On the back of robust domestic demand and upbeat investment activity, a broad-based expansion of 9.7% was witnessed by the Indian economy between April and September 2022.

The government and the Reserve Bank of India's emphasis on prudent fiscal and monetary policies, proactive vaccination coverage for Covid-19 and sustained capital expenditure restored momentum in the Indian economy. Inflation, however, continues to be a major concern for India. The RBI has projected headline inflation at 6.8% in the financial year (FY) 2022-23, but it is not high enough to deter private consumption.

Despite inflationary pressures, the Indian economy is well on track to touch 7% GDP growth in FY 2022-23. The indices of manufacturing activity such as the PMI-manufacturing, the Index of Industrial Production and the Index of Core Industries (ICI) indicate positive growth of manufacturing activity. Alongside, sustained expansion of indicators of the services sector (UPI transactions, high credit demand) also demonstrate a positive shift.

Overall, demand in India continues to favour economic activity and early signals of private investment recovery point towards a stronger investment upcycle, both in the services and manufacturing sectors. Leveraging the gains of the first half of the year, a gradual upswing in economic activity is expected to impart macroeconomic stability in the days ahead. ²

Key schemes and programmes ³

The Ministry of Textiles has undertaken several initiatives to support the textile industry in India and strengthen its position in the global market. While initiatives such as Silk Samagra, Powertex India, and Samarth are focused on empowering economically disadvantaged people and improving infrastructure, plans to encourage sustainable fashion and promote advanced manufacturing facilities within India are also underway.

- Incubation centres for apparel manufacturing:** The objective of this scheme is to create an integrated workspace and linkages-based entrepreneurial ecosystem for start-ups that is operationally and financially viable and increases the chance of success of start-ups and decreases the time and costs required to establish and grow a new business.
- Production linked incentive (PLI) scheme—** The PLI scheme for Textiles aims to promote indigenous manufacturing of MMF garments, MMF fabrics and technological textile goods. It is expected to create 60-70 global players, attract new investment of around ₹19,000cr and generate almost 7.5 lakh new employment opportunities.
- PM-Mega Integrated Textiles and Apparel Park (PM MITRA)—** It entails the establishment of 7 PM Mega Integrated Textile Regions and Apparel (PM MITRA) parks in greenfield and brownfield areas with world class infrastructure, including plug-and-play facility, with an outlay of ₹4,445cr over a period of seven years, up to FY 2027-28. It aims to attract investment for 'Make in India' initiatives and enhance employment generation.

² Source: Economic Survey 2022-2023

³ Source: Press Information Bureau, Govt. of India, Ministry of Textiles

- **Capacity building scheme (SAMARTH) for textile industry**— The scheme aimed to address the need for skilled labour across the textile sector. As a part of the 'Skill India' initiative and in compliance with the skilling programmes of the Ministry of Skill Development and Entrepreneurship, the programme is expected to be implemented by March 2024.

- **National Technical Textiles Mission**— The National Technical Textiles Mission has been approved with the purpose of bolstering technical textiles in India. With a project outlay of ₹1,480cr, it is anticipated to create a steady ground for this futuristic and niche textile segment.

2. Industry overview

2.1 Fashion industry⁴

The fashion industry witnessed robust demand and consistent profitability in the first half of CY 2021-22, registering strong revenue growth of 13%. The industry is expected to be valued at US\$106bn by 2026, as per recent estimates. Non-luxury fashion also saw 11% top-line growth in the first half of CY 2021-22 compared to the same period in CY 2020-21.

The industry, however, had to grapple with global headwinds in the form of rising geopolitical tension, persistently high commodity prices, and deteriorating consumer sentiment.

Notwithstanding the global economic crisis, a large portion of the industry is approaching this difficult phase on a sound footing, having made significant progress in CY 2020-21 and the first half of CY 2020-22. According to McKinsey Fashion Growth Predictions, 2023, luxury sales are expected to increase by 5 to 10% in CY 2022-23, while the rest of the sector is expected to grow by a negative 2 to positive 3%. Nonetheless, the intellectual frameworks that formerly differentiated the fashion business are expected to reappear.

Owing to persistent inflationary pressure, consumer spending on non-essential items is expected to remain weak, particularly for non-essential and luxury goods. The preference for affordable yet trendy and fashionable ranges is expected to increase in comparison to luxury and premium varieties.

In order to adapt to changing consumer behaviour and manage inflation, apparel brands and retailers may need to implement various strategies. This includes restructuring their pricing, collections, and supply chain to reach a larger audience. An important aspect of this transformation will be the utilisation of digital marketing, which will play a significant role in creating brand awareness and fostering stronger connections with the target audience.

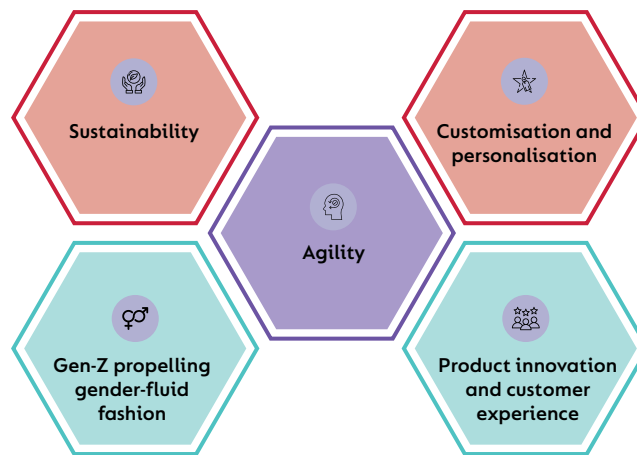
Looking specifically at the fashion industry in the Middle East, it is expected to experience substantial growth. The Gulf Cooperation Council is projected to report a growth of US\$11bn in CY 2022-23. The fashion market in North America and Asia-Pacific regions are anticipated to experience a steady growth rate, thereby indicating a favourable market condition and expansion possibilities.

Opportunities

The fashion industry has historically demonstrated tremendous resilience and adaptability. Over the years, industry players have successfully navigated challenges and emerged stronger with new and innovative methods of winning over consumer loyalty. Innovation in areas such as sustainable fashion and digitalisation initiatives will be key to driving growth and profitability in the long run.

- **Sustainability**—With new environmental regulations and growing consumer awareness about the fashion industry's impact on the climate crisis, there is a pressing need for incorporating sustainable practices in our operations. Recognising this need, a large number of players in the Indian fashion industry have responded by developing sustainable fashion lines. This shift towards sustainability is not only promoting environmental responsibility but also driving up the demand for products that align with these values. By embracing sustainability and promoting sustainable offerings, Indian fashion brands have the opportunity to tap into this growing market and establish themselves as leaders in eco-friendly fashion.
- **Gen-Z propelling gender-fluid fashion** - The rise of gender-fluid fashion presents a significant opportunity for the fashion industry to tap into changing consumer attitudes, driven by the influential Gen-Z demographic. Brands and retailers are poised to seize the opportunity to embrace inclusive product design and marketing

⁴ Source: The State of Fashion 2023, McKinsey & Company



strategies that cater to a diverse range of identities. Embracing gender fluidity will enable brands to stay relevant and resonate with the evolving values of today's consumers.

- **Agility** — The progress in technology, enhanced infrastructure, and a versatile workforce possessing diverse skillsets have facilitated the fashion industry in promptly adapting to the dynamic fashion market and the ever-evolving preferences of customers. These advancements have also alleviated the challenges within the supply chain, resulting in expanded market access and consistent growth.
- **Product innovation and customer experience** — Companies must prioritise the development of new and innovative products that have the potential to introduce new fashion trends and receive positive consumer feedback.
- **Customisation and personalisation:** Personalised fashion experiences are in high demand as consumers seek unique products. Technologies like 3D printing and on-demand manufacturing offer customisable clothing and accessories. Also, data analytics can provide valuable insights into consumer preferences, enabling brands to offer personalised recommendations. By embracing these trends, the fashion industry can create a more engaging and tailored shopping experience, leading to increased customer satisfaction and brand loyalty.

Challenges

- **Inflation and economic downturn** —The fashion industry faces challenges stemming from inflation and economic downturns. These factors potentially dampen discretionary spending, impacting consumer behaviour and affecting the industry's performance. Adapting to the changing economic landscape becomes crucial for sustained growth and success in such uncertain times.
- **Margins and profitability**—Price and marketing play a strategic role driving margins and profitability in the fashion industry which drives margins , The industry is grappling with the impact of escalating commodity and energy prices, which are projected to drive up operational costs and subsequently reduce profit margins.
- **Interest rate variations** - Interest rate fluctuations not only impact the cost of capital but also increase financing expenses for inventory. During the year, these fluctuations affected exchange rates, international trade and investment decisions worldwide.
- **Declining consumer demand** —Increasing commodity inflation influences consumer spending patterns, leading to a shift towards prioritising essential goods over fashion purchases. Navigating this landscape requires strategic adaptations to cater to evolving consumer preferences and maintain market relevance.

2.2 Growth drivers

Along with emerging fashion trends and changes in consumer behaviour, the demands of new-age consumers continue to influence the industry. Major industry players with a strong brand recognition, diversified distribution channels, and a digital presence have been more resilient during the pandemic. Online sales have also surged during the post-pandemic period, and companies that have expanded their presence to e-commerce platforms have been able to efficiently mitigate the impact of store closures.



Two-track spending

Income levels often influence shopping preferences. While lower-income buyers are expected to limit discretionary spending, people with more income and access to savings, credit and a secure job are likely to spend more on fashion choices.

Therefore, companies must explore innovative business models such as resale, rental, and repairing of old clothes and accessories to make fashion affordable as well as sustainable.

Adapting to emerging fashion trends

With continuous evolution of fashion trends, clothing styles have changed and dress codes for various occasions continue to be altered. Moreover, the fine line between formal and casual wear is also fading. This has resulted in the introduction of a wide variety of semi-formal and casual clothing lines that can be used for various occasions. Similarly, ensemble pieces that can be purchased or rented for special events are also being made available by leading fashion houses.

Diversified marketing strategies

Profitability through the online DTC channel is decelerating as a result of rising cost of digital marketing. Thus, brands are diversifying marketing strategies to include wholesale and third-party marketplaces that drive significant growth. Brands are also strengthening their creative capabilities to reach a larger audience with significant allocation of marketing budgets for retail channels.

Development of new supply chains

To future-proof businesses, manufacturers are adapting to the demands of fashion brands and offering shorter lead times to process orders faster and minimise logistical setbacks. New supply chain models based on vertical integration, nearshoring, small-batch production, and on-demand systems are being efficiently integrated into operational processes due to rapid adoption of digitisation across supply chains. These changes have augured well for the fashion industry as a whole.

Customer centric operations

The fashion industry operates in a fast-paced environment where trends change at a rapid pace. The ability to introduce products to the market on time is essential to stay ahead of competition and drive sustainable growth. Therefore, an emphasis on customer-centric products is allowing retailers as well as fashion houses to constantly meet the evolving requirements of consumers.

Ideal grounds for apparel production

At present, China, Bangladesh, Vietnam and India are the key apparel manufacturing and export hubs. The Asian countries enjoy a definitive advantage in garment production and exports due to the availability of a low-cost and skilled workforce⁵. In addition, the huge availability of raw materials in these countries reduces logistics costs for procurement and helps to keep the overall production cost in check, thereby creating an opportune landscape for the growth of the fashion industry.

2.3 Outlook

The fashion and apparel industry has always been dynamic, with new trends and styles emerging every season. In the past few years, the industry has faced many challenges, including concerns about sustainability, shifting consumer preferences, and the rise of e-commerce.

However, despite uncertainties, the global fashion industry is expected to witness a positive trajectory in CY 2022-23. Rising demand from emerging markets, increased consumer

⁵ International Labour Organization



spending on fashion, and the expansion of online retail channels are driving this growth.

The fashion industry is expected to maintain its focus on sustainability and ethical practices, with many businesses implementing sustainable and circular business practices. Consumers are becoming more conscious of the environmental impact of their actions and strive to embrace brands that prioritise sustainability.

Furthermore, the industry is likely to witness more usage of technology such as 3D printing, augmented reality and virtual try-on tools to improve customer experience and streamline the supply chain.

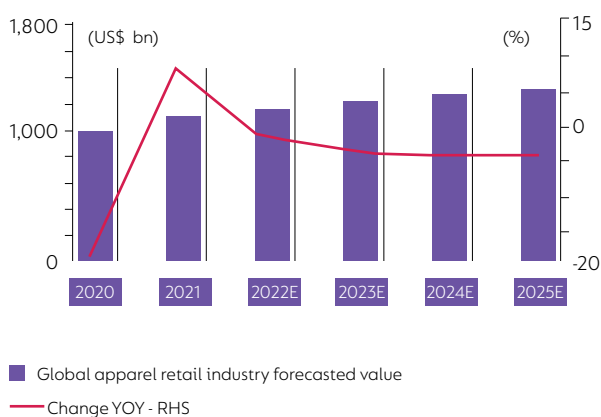
2.4 Apparel market overview

The global apparel market expanded at a compound annual growth rate (CAGR) of 7.0% between 2022 and 2023, from US\$ 610 bn to US\$ 653 bn. Global uncertainty has stifled growth, resulting in rising commodity prices, decreased consumer demand, and supply chain disruptions. But, the popularity of online shopping is likely to help the garment manufacturing sector.

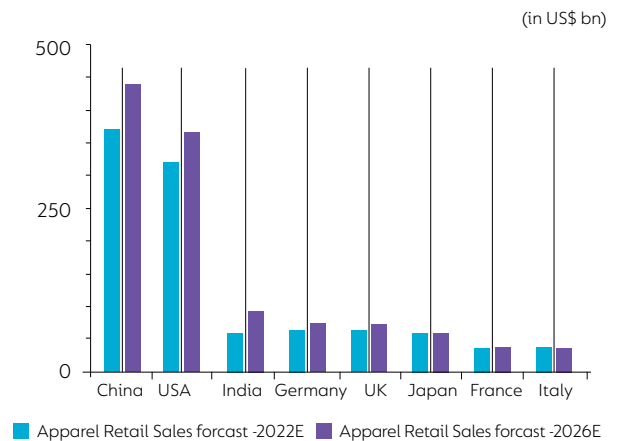
E-commerce portals have increased the sale of traditional garments by providing greater exposure to manufacturers and buyers who were previously restricted to certain geographic areas. To increase efficiency and lower operating costs, apparel manufacturers are also investing in computer-controlled embroidery systems.

The apparel market is anticipated to expand at a 6.2% CAGR to US\$830.69bn by 2027⁶. Global apparel retail industry is expected to increase at 7% CAGR in the period between 2020 and 2025 with China and USA continuing to be the largest markets in terms of the sales forecast.

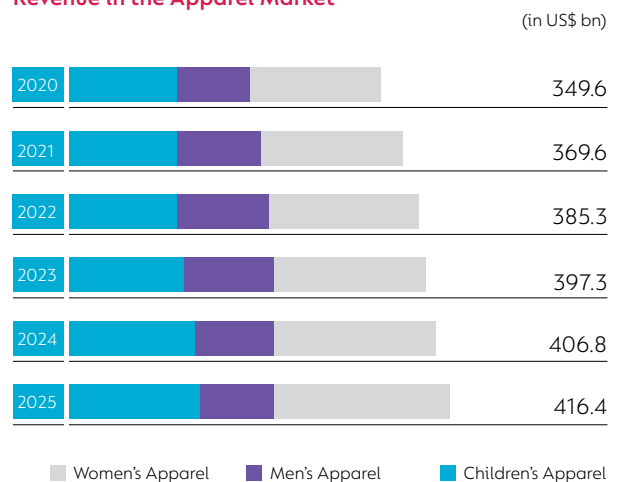
Global apparel retail sales trend & forecast



Country-wise apparel retail sales forecast

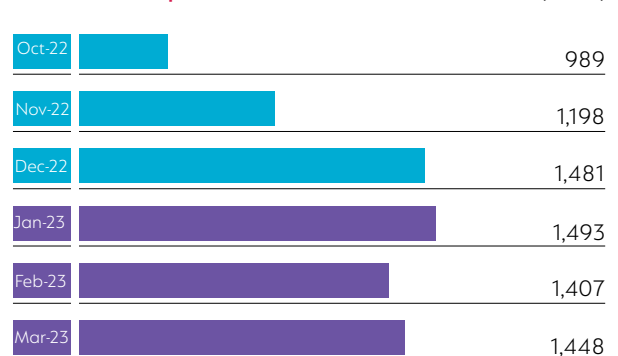


Revenue in the Apparel Market



India is likely to witness a sharp rise in the trade of readymade garments (RMG). During FY 2022-23, India's share of the global RMG market has been moderate. Improvement in inventory levels and controlled inflation resulted in gradual improvement of RMG exports during the last quarter of FY 2022-23.

India's RMG export



Source: Apparel Export Promotion Council

⁶ Apparel Global Market Report 2023, The Business Research Company

Besides, trade agreements with United Kingdom, other countries in the European Union and Canada are expected to drive robust growth, leading to an increase in India's stake in the global RMG trade.

Volatility in Cotton Consumption & Production

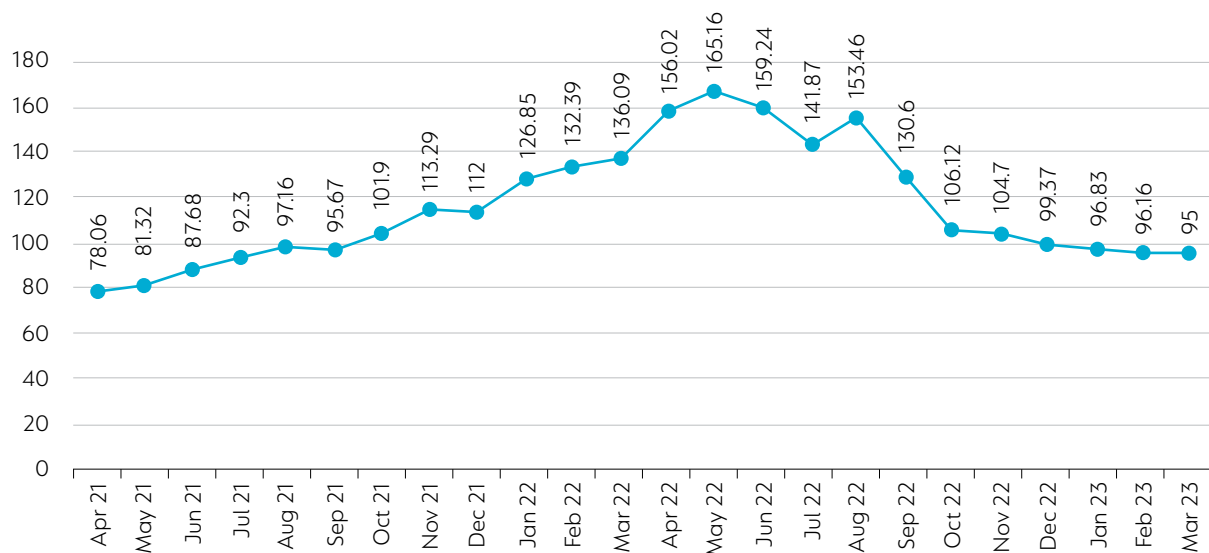
Recent years have witnessed volatility in the consumption and production of cotton. In FY 2022-23, while consumption and production are estimated to decrease, however, the decrease in consumption is expected to be higher than production. Global cotton prices are currently trading at a

four-month low mainly due to weak demand. The outlook for global cotton prices continues to remain uncertain for the financial year 2023-24. Further, a decrease in the planted acreage is anticipated due to high input costs and competition from other crops globally.

Macro factors also have a bearing on the outlook for cotton prices. With the trajectory of the global economy looming and the weather also proven to be volatile in recent years, amongst other factors are impacting cotton prices.

Month wise cotton price fluctuation in India during FY 2022-23

US Cents/Lb



Source: EmergingTextiles.com



Growth drivers for apparel market in India

- The government's focus on creating a conducive environment for trade and investments augur well for the fashion industry and the textile industry as a whole.
- The Performance Linked Incentive (PLI) scheme helps to build a robust ecosystem for MMSF (man-made staple fibre).
- India's position as a key cotton supplier benefits domestic RMG manufacturers.
- Government schemes continue to incentivise companies to increase their manufacturing capacity.



3. Business overview

PDS Limited is one of India's largest multinational apparel companies with global business operations. The Company operates through a unique asset-light platform built to achieve growth and scalability. The Company provides customised end-to-end solutions to global brands and retailers offering value-added services such as in-house product development, design, and sampling, along with quality assurance, compliance, and supply chain management.

PDS has a worldwide presence with over 60+ offices in 22 countries. It has a large network of factories which ship almost 1mn garments each day. **With 600+** partner factories and **250+** designers, the Company serves as a sourcing, manufacturing and supply chain platform with a strong focus on delivering sustainable products and technologies to customers.

Caters to **250+**
Fashion brands and retailers

Global presence across
22+ countries with **60+** offices

3.2 Business divisions

3.2.1 Sourcing

As a global fashion infrastructure company, PDS distinguishes itself from other suppliers and sourcing firms by offering a sustainable approach that improves efficiency and ensures cost saving for retailers and brands. The sourcing business of PDS contributes to 96% of the total revenue generated.

The sourcing division is at the forefront of the fashion industry's transformative journey, while embracing changing consumer preferences and the growing demand for sustainability. The Company is committed to managing the entire supply chain in an eco-conscious manner. A team of dedicated designers, located across vibrant cities like London, Hong Kong, New York, Barcelona, Dusseldorf, New Delhi, Shanghai, Colombo, Santiago, and Brussels, bring their expertise to in-house product development and design, ensuring that every creation reflects the essence of the respective brands brand.

The sourcing segment of the Company generated a total revenue of ₹10,105cr, a growth of 19% as compared to the previous year and EBITDA Margin of 4%.

The return on capital employed (ROCE) for the sourcing segment reached an impressive 48%. Around 18 months ago, PDS successfully introduced a new offering known as Sourcing as a Service, which received strong market acceptance. Through strategic partnerships with renowned global brands and retailers, the Company garnered contracts of merchandise valued at \$1bn on an annual basis.

45%

% of capital employed

₹10,105cr

Revenue generation with 19% growth in FY 2022-23

₹366cr

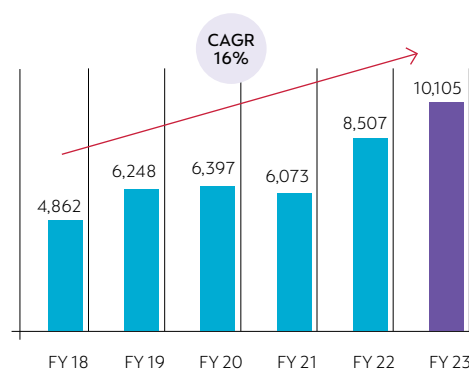
EBIT generation with 3.6% margin in FY 2022-23

48%

ROCE

Sourcing business contributes to 96% of overall revenues

(in ₹cr)



3.2.2 Manufacturing

The Company's production facilities, boasting LEED Gold certifications, stand as a testament to its unwavering dedication to operational excellence and environmental stewardship. With dedicated capacities and long-term commitments, PDS ensures a seamless and efficient manufacturing process, providing clients with the quality and reliability they deserve.

The segment has contributed to 7% of the Company's total revenue and has also achieved a full year of profitability. With a harmonious blend of cutting-edge technology, commitment to the environment, and financial success, PDS manufacturing facilities continue to play a pivotal role in the Company's overall success.

The manufacturing segment displayed impressive growth, achieving a revenue of ₹703cr, which represented an increase of 28% compared to the previous fiscal year's revenue of ₹547cr. The manufacturing segment also exhibited an EBIT of ₹30cr as compared to a loss of ₹15cr in the previous year with margins moving from -2.7% to 4.2% in FY 2022-23. This further emphasises the ability to generate profit while effectively managing costs and operations.

30%

% of capital employed

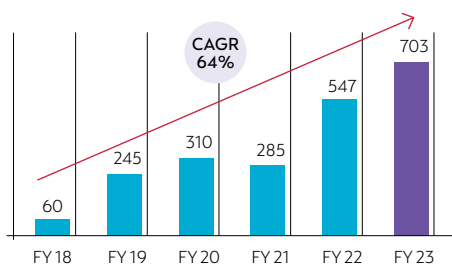
₹703cr

Revenue generation with 28% growth in FY 2022-23

₹30cr

EBIT generation with 4.2% margin in FY 2022-23

Manufacturing business contributes to 7% of overall revenues



3.2.3 PDS Ventures and Others

PDS ventures advocates our strong belief in the power of innovation and using technology to achieve a strategic alignment in fashion, technology and sustainability. We make early-stage investments directly and through collaborations in initiatives that aim to create a sustainable value chain for the fashion industry. With a portfolio of investments in ventures that promote sustainable technologies, circular economy, carbon neutrality, waste and water management. With the help of these investments PDS is collaborating with its customers and suppliers. With a portfolio of investments that promote sustainable technologies, circular economy, carbon neutrality, waste and water management,

25%

% of Gross Capital Employed

Investment Portfolio FY 2022-23

₹124cr

Treasury Investments

₹50cr

Real Estate & Other

₹57cr

Proceeds from Real Estate

₹199cr

Venture Investments

3.3 Business performance

3.3.1 Operational highlights

- Launch of in-house wash plant in Bangladesh facility, with funding from Netherlands based Good Fashion Fund
- Launch of centralised cutting plant in Sri-Lanka to increase efficiency and productivity of facility.



- Manufacturing segment reported the first full year of profitability
- Inked a license agreement with Authentic Brands Group (ABG) for Forever 21
- Acquired 51% stake in DBS Lifestyle, a design and sourcing business in India
- Acquired 100% stake in Sunny Up, a licensing business based in UK, having exclusive European license for Stan Ray and other distribution rights.

3.3.2 Financial Highlights

- The company demonstrated strong and resilient growth of 20% as compared to the last financial year. Revenue from operations increased from ₹8,828crs FY 2021-22 to ₹10,577cr for the year ended 31st March 2023.

- EBITDA witnessed substantial growth, rising by 40% to ₹459crs from ₹327crs in FY 2021-22.
- Profit After Tax (PAT) stood at ₹327crs, demonstrating a 12% growth compared to ₹293crs in FY 2021-22.
- As a result of continuous monitoring and efficient management of inventory and receivables the Company was able to operate with a working capital day of negative 2 days during the financial year.
- Basic earnings per share stood at ₹20.30 in FY 2022-23 as against ₹19.08 in FY 2021-22
- The Board of Directors proposed a dividend of 255% amounting to ₹5.10 per share, of which ₹2.50 per share was paid as an interim dividend.

Consolidated financial review

Particulars	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Revenue from operations	6,486	6,648	6,213	8,828	10,577
Other income	16	27	37	86	52
Total income	6,502	6,675	6,250	8,914	10,629
EBITDA	112	186	230	327	459
EBITDA Margin (%)	1.7%	2.8%	3.7%	3.7%	4.3%
Profit before tax	69	91	174	310	357
Profit after tax	69	81	148	293	327
Profit after tax margin (%)	1.1%	1.2%	2.4%	3.3%	3.1%
Earnings per share (₹)*	3.37	3.53	6.47	19.08	20.30
Cash flow from operations	213	281	379	407	510
Return on net worth (%)	13.8%	13.3%	20.7%	31.3%	29.4%

* Note: Number of shares has been adjusted to give the impact of the stock split during the year

- Revenue from operations increased by 20% with a gross margin of 16.7%, an expansion of 53 bps compared to FY 2021-22.
- Other Income decreased by ₹34crs from 86 crs in FY 2021-22 to ₹52crs in FY 2022-23. The overall decrease is mainly due to one-time income items like scrap sales, revenue writebacks, higher gain on sale of real estate, etc, accounted for the last year.
- The company's EBITDA stood at ₹459crs demonstrating a 40% growth with an expansion in margins by 64 basis points from 3.7% in FY 2021-22 to 4.3% in FY 2022-23. This was largely driven by the expansion in gross margins and our manufacturing division's increase in profitability.
- Finance cost increased from ₹33crs in FY 2021-22 to ₹74crs in the current year, this was mainly attributed to the increase in the base interest rates, which have almost doubled as compared to FY 2021-22.
- Profit before tax increased by 15% from ₹310crs in FY 2021-22 to ₹357crs in FY 2022-23. Profit after tax increased by 12% from ₹293cr in FY 2021-22 to ₹327cr in FY 2022-23. Net profit margin decreased by 23 basis points from 3.3% in FY 2021-22 to 3.1% in FY 2022-23.

Key financial ratios

Sr. No.	Particulars	FY2021-22	FY 2022-23	Change
1	Interest coverage ratio ^a	10.52x	5.81x	-4.71x
2	Current ratio	1.11x	1.18x	0.06x
3	Debt equity ratio ^b	0.67x	0.54x	-0.13x
4	Operating profit margin (%) ^c	3.9%	4.1%	0.2%
5	Net profit margin (%) ^d	3.3%	3.1%	-0.2%
6	Return on net worth (%)	31.3%	29.4%	-1.9%
7	Debtors turnover ratio	6.21x	10.81x	4.60x
8	Inventory turnover ratio	24.23x	34.43x	10.20x
9	Return on capital employed (%) ^e	38.4%	43.7%	5.4%

- a) Interest coverage ratio is calculated as Earnings Before Interest, and Tax (including other income) over Interest. The change is attributable to 25% increase in Earnings Before Interest, and Tax vs. 127% increase in Interest expense mainly due to disproportionate increase in interest cost.
- b) Debt equity ratio is calculated as total borrowings over total equity (including non-controlling Interest) of the Company. The change is attributable to a decrease in Total Debt and an increase in Total Equity due to higher profitability.
- c) Debtor's turnover ratio is calculated as total sales over trade receivables. The change is attributable mainly due to a reduction in trade receivables as a result of improved collections and enhanced factoring limits availed by the company.
- d) Inventory turnover ratio is calculated as cost of goods sold (COGS) over inventory. The change is attributable to a 19% increase in COGS vs 16% reduction in inventory levels.
- e) Return on capital employed is calculated as Earnings Before Interest and Tax (EBIT) over Total Equity plus Net Debt. Return on capital employed increased by 5.4% from 38% in FY 2021-22 to 44% in FY 2022-23, due to 25% increase in EBIT vs 10% increase in capital employed.

4. Outlook

The Company envisions a positive outlook for its future, aspiring to double its business within the next three to five years. This growth ambition is supported by the Company's asset-light platform, which has enabled it to navigate the challenges faced by the global fashion industry successfully.

While expanding its customer network, the Company is also actively expanding its vendor network in regions strategic to the fashion supply chain. The focus is on establishing long-term strategic partnerships that offer enhanced visibility into the business and drive a consistent stream of revenue. This enables the Company to transition from transactional orders to value-accretive businesses, ultimately driving higher margins and improved return ratios in the long term.

Adapting to the dynamic economic and fashion landscape, the Company continues to evolve and build resilience against market upheavals. While acknowledging the near-

term challenges that may impact growth, the Company anticipates a positive outlook. As a global platform, we remain dedicated to strengthening our capabilities, with the goal of surpassing a \$2.5bn in revenue topline in the coming years, accompanied by a gradual increase in profitability.

5. Human resource management

PDS has a workforce of 3,982 employees, 6,151 factory associates spread across its global production facilities and offices. The Company has demonstrated phenomenal growth over the years by emphasising on leadership and employee engagement.

With people from diverse geographic backgrounds including 25+ nationalities of which ~58% are women the company strives to build an inclusive culture that respects diversity and varied perspectives.

PDS Limited (India) and Norlanka Manufacturing (Sri Lanka) has been certified as a 'Great Place to Work' organisation by GPTW. The global firm, has also certified PDS as a 'Gold Standard' Company for being an equal opportunity employer.



**10,133+**

Number of employees and factory associates

58%

Female Employees and workers

25+

Nationalities

[For more information, refer page 36 of annual report]



6. Technology and infrastructure

PDS strongly believes that technology and digitization has enabled the fashion industry around the world cater to the fast-evolving trends and preferences of consumers. With our keen design sense, extensive industry experience and adoption of the latest techniques and technologies, PDS is enabling the fashion industry around the world cater to the fast-evolving fashion landscape. PDS has a an experienced team of professionals who have built and continue to strengthen its information technology infrastructure without any disruption or security threats. The Company leverages cutting-edge technology in its operations to stay ahead of competition.

[For more information, refer page 28 of annual report]

7. Risk management framework

The Company has implemented a well-defined risk management framework to identify risks, assess threats, and devise appropriate mitigation measures to shield against both internal and external risks. To ensure the framework's successful implementation, senior management individuals are designated to lead the risk management committee, thus integrating risk management seamlessly into the Company's processes. This active involvement of senior management enables thorough review and continuous monitoring of risks in a constructive manner, fostering a culture of proactive risk management throughout the entire organisation.



8. Internal audit and controls

The Company has a strong system of internal controls in place to ensure the dependability of financial and other information and records used in the preparation of financial statements and other data, as well as asset accountability.

This internal control system is supplemented by a thorough initiative of internal audits, senior management reviews, and documented policies, guidelines, and procedures. The findings of internal audits are critical inputs for risk identification and assessment.

In addition, business risks are assessed on a regular basis in order to identify significant risks to the achievement of our business objectives.

Disclaimer

Statements in this management discussion and analysis that describe the Company's objectives, projections, estimates, and expectations are considered 'forward-looking statements' under applicable laws and regulations. Actual results may differ significantly or materially from those stated or implied. Important developments that could have an impact on the Company's operations include, among other things, competition, employee costs, and significant changes in India's political and economic environment, environmental standards, tax laws, litigation, and labour relations.

Directors' Report

Dear Members,

PDS Limited

(Formerly PDS Multinational Fashions Limited)

The Directors of your Company are pleased to present the 12th Annual Report together with the Annual Audited Standalone and Consolidated Financial Statements on the business and operations of the Company for the Financial Year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

Particulars	Consolidated		Standalone	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(₹ in Lakhs)			
Revenue from operations	10,57,700.42	8,82,821.38	46,285.75	11,582.72
Other Income	5,153.05	8,602.74	6,912.86	6,185.88
Total Expenses				
Profit from Operations Before Exceptional Item and Taxes	35,643.53	31,065.66	9,324.78	7,016.28
Share of loss of associates and joint ventures	31.93	(57.86)	-	-
Exceptional Item	-	-	-	-
Profit Before Tax	35,675.36	31,007.80	9,324.78	7,016.28
Tax Expense (including deferred taxes)	2,998.52	1,725.71	682.74	337.42
Profit After Tax	32,676.84	29,282.09	8,642.04	6,678.86
Other Comprehensive Income/(loss)	2,707.02	3,357.62	(30.24)	16.57
Total Comprehensive Income	35,383.86	32,639.71	8,611.80	6,695.43
Earnings Per Share (₹)				
Basic	20.30	19.08	6.62	5.13
Diluted	19.93	18.86	6.50	5.07

FINANCIAL PERFORMANCE & THE STATE OF COMPANY AFFAIRS

I. Standalone

The Revenue from Operations of the Company stood at ₹46,285.75 Lakhs for the year ended March 31, 2023 as against ₹11,582.72 Lakhs in the previous year. The Company reported a Profit after Tax of ₹8,642.04 Lakhs for the year ended March 31, 2023 as compared to ₹6,678.86 Lakhs in the previous year due to better realizations, cost optimization and better operational controls.

II. Consolidated

The Consolidated Revenue from Operations of the Company for the Financial Year ended March 31, 2023 is ₹10,57,700.42 Lakhs as against ₹8,82,821.38 Lakhs in the previous year. The Consolidated Profit after Tax for the Financial Year ended March 31, 2023 is ₹32,676.84 Lakhs as compared to ₹29,282.09 Lakhs in the previous year, registering an increase of 11.59% due to better realizations, cost optimization and better operational controls.

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to Reserve.



DIVIDEND

Your Directors are pleased to recommend a Final Dividend ₹2.60 (Rupees Two and Sixty Paise Only) per equity share of the Face Value of ₹2.00 (Rupees Two) each for the year ended March 31, 2023. Further, your directors has confirmed the payment for interim dividend of ₹2.50 (Rupees Two and Fifty Paise Only) per equity share of the Face Value ₹2.00 (Rupees Two) each aggregating to ₹32.62 Crore declared on November 7, 2022 during the Financial Year 2022-23.

The dividend, subject to the approval of the Members at the Annual General Meeting ("AGM") to be held on Monday, July 31, 2023 will be paid on or before Tuesday, August 29, 2023, i.e., within a period of Thirty (30) days from the date of AGM to the Members whose names appear in the Register of Members, as on the cut-off date, i.e. Monday, July 24, 2023.

In view of the changes made under the Income-Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

The recommendation of the Final Dividend is in accordance with the dividend distribution policy of the Company. The said Policy is available on the website of the Company at <https://pdsLtd.com/wp-content/uploads/2023/06/Dividend-Distribution-Policy.pdf>.

NATURE OF BUSINESS AND STATE OF AFFAIRS OF THE COMPANY

During the year under review, there have been no changes in the nature of business of the Company. The information on the affairs of the Company has been covered under the Management Discussion & Analysis forming part of this Annual Report.

DEPOSITS

During the year under review, the Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

STOCK SPLIT

During the year under review, the Company has undergone split of share capital in the ratio of 1:5, resulting in change of Face Value from ₹10/- (Rupees Ten) per share to ₹2/- (Rupees Two) per share. The same was approved by the Shareholders at the Annual General Meeting held on July 29, 2022 and also approved by National Stock Exchange of India Limited & BSE Limited on August 26, 2022.

EMPLOYEE STOCK OPTION PLAN (ESOPs)

During the year under review, the Company has the following 4 (Four) Employee Stock Options Plan ("ESOPs") approved by the Shareholders:

A) PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021

At the Extra-Ordinary General Meeting held on February 25, 2021, the Shareholders approved 26,57,825 Stock Options under the 'PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021' ["PDS ESOP 2021"] to the employees of the Company and its subsidiaries. The Nomination and the Remuneration Committee of the Board has been authorized to offer,

issue and allot stock options to eligible employees of the Company and its subsidiary Companies under the PDS ESOP 2021. As required under SEBI (Share Based Employee Benefits and Sweat Equity Regulations, 2021), a disclosure relating to options granted, lapsed and exercised are given in **Annexure 1** to this Report and is also available on website of the Company at www.pdsLtd.com.

B) PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021 – Plan A

At the 10th Annual General Meeting held on July 30, 2021, the Shareholders approved 29,12,050 Stock Options under the 'PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021 – Plan A' ["PDS ESOP PLAN A 2021"] to the employees of the Company and its subsidiaries. The Nomination and the Remuneration Committee of the Board has been authorized to offer, issue and allot stock options to eligible employees of the Company and its subsidiary Companies under the PDS ESOP PLAN A 2021. As required under SEBI (Share Based Employee Benefits and Sweat Equity Regulations, 2021), a disclosure relating to options granted, lapsed and exercised are given in **Annexure 1** to this Report and is also available on website of the Company at www.pdsLtd.com.

C) PDS Limited (Formerly PDS Multinational Fashions Limited) – Employees Stock Option Plan 2021 – Plan B

At the 10th Annual General Meeting held on July 30, 2021, the Shareholders approved 5,06,740 Stock Options under the 'PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021 – Plan B' ["PDS ESOP PLAN B 2021"] to the employees of the Company and its subsidiaries through trust route. The Nomination and the Remuneration Committee of the Board has been authorized to offer, issue and allot stock options to eligible employees of the Company and its subsidiary Companies under the PDS ESOP PLAN B 2021. As required under SEBI (Share Based Employee Benefits and Sweat Equity Regulations,

2021), a disclosure relating to options granted, lapsed and exercised are given in **Annexure 1** to this Report and is also available on website of the Company at www.pdsltd.com.

D) PDS Limited (Formerly PDS Multinational Fashions Limited) – Phantom Stock Units Plan 2021

At the 10th Annual General Meeting held on July 30, 2021, the Shareholders approved 8,61,415 Stock Units under the 'PDS Limited (Formerly PDS Multinational Fashions Limited) – Phantom Stock Units Plan 2021' ["PDS Phantom 2021"] to the employees of the Company and its subsidiaries through trust route. The Nomination and the Remuneration Committee of the Board has been authorized to offer, issue and allot stock units to eligible employees of the Company and its subsidiary Companies under the PDS Phantom 2021. As required under SEBI (Share Based Employee Benefits and Sweat Equity Regulations, 2021), a disclosure relating to options granted, lapsed and exercised are given in **Annexure 1** to this Report and is also available on website of the Company at www.pdsltd.com.

A certificate from the Secretarial Auditors certifying that all ESOP Schemes has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity Regulations, 2021) and in accordance with the resolution(s) passed by the Shareholders would be uploaded on website of Company www.pdsltd.com during the AGM for inspection by the Shareholders.

PDS INCENTIVE PLAN 2021

During the year under review, the Nomination and Remuneration Committee at their respective meetings held on June 1, 2022 and January 23, 2023, had approved rewards under PDS Incentive Plan 2021 to key employees of the Company. The plan got approved at the Extra-Ordinary General Meeting held on February 25, 2021.

The purpose of the PDS Incentive Plan 2021 is to reward key employees of the Company and its subsidiaries for their performance and their contribution in delivering strong returns and creating value with respect to the investments made by the Shareholders in the Company and to incentivize them in the future growth and profitability of the Company.

SHARE CAPITAL

The Authorized Share Capital as at the year-end remained unchanged at ₹28,00,00,000/- (Rupees Twenty-Eight Crores Only) divided into 14,00,00,000 (Fourteen Crore) Equity Shares of Face Value of ₹2/- (Rupees Two Only) each.

The Issued and Paid-up Capital of the Company increased from ₹26,04,67,240 (Rupees Twenty-Six Crores Four Lakhs Sixty-Seven Thousand Two Hundred and Forty Only) divided into 13,02,33,620 (Thirteen Crores Two Lakhs Thirty-Three Thousand Six Hundred and Twenty Only) Equity Shares divided into Face Value of ₹2/- (Rupees Two) each to ₹26,18,55,440 (Rupees Twenty-Six Crores

Eighteen Lakhs Fifty-Five Thousand Four Hundred and Forty Only) divided into 13,09,27,720 (Thirteen Crores Nine Lakhs Twenty-Seven Thousand Seven Hundred and Twenty Only) Equity Shares divided into Face Value of ₹2/- (Rupees Two) each as a result of allotment of 6,94,100 (Six Lakhs Ninety-Four Thousand and One Hundred Only) Equity Shares pursuant to PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021 and PDS Limited (Formerly PDS Multinational Fashions Limited) – Employee Stock Option Plan 2021 – Plan A.

Your Company has neither issued any Equity Shares with differential rights as to dividend, voting or otherwise nor has issued any Sweat Equity Shares to the employees or Directors of the Company, under any scheme. Your Company has not issued any debentures, bonds or any non-convertible securities during the financial year under review.

CREDIT RATING

During the year under review, your Company has no outstanding instruments for which the credit rating needs to be obtained.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

The Financial Statements of the Company comply with the Ind AS specified under Section 133 of the Companies Act, 2013 ("the Act").

Your Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale and complexity of operations and ensures compliance with various policies and statutes in keeping with the organization's pace of growth, increasing complexity of operations, prevention and detection of frauds and errors. The design and effectiveness of key controls were tested and no material weaknesses were observed. The Audit Committee reviews and evaluates the adequacy of internal financial control and risk management systems, periodically. Efficacy of Internal control systems are tested periodically by Internal Auditors with and Internal Control over financial reporting is tested and certified by Statutory Auditors. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by the Internal Audit Team.

During the year under review, no material or serious observation has been highlighted for inefficiency or inadequacy of such controls.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2023, the Company had 107 subsidiaries, 10 Joint Ventures, 4 Associates and 1 Controlled Trust. Details regarding change in subsidiaries, associates and joint venture companies are set out in Note 2 of the Consolidated Financial Statements.



During the year under review, the following companies were incorporated, acquired, liquidated or divested in India:

- Acquisition of 51% stake in DBS Lifestyle India Private Limited (Formerly known as Pangram Brands Private Limited). With this acquisition, the Company will gain further access to leading retailers and brands enabling it to further penetrate the fashion and home categories in the Indian market.
- Acquisition of 25% stake in Norlanka Brands Private Limited to expand & create an opportunity in the Indian fashion & apparel business including but not limited to kids wear, inner wear & other categories of lifestyle.
- The details regarding changes to the group companies are set out in Note 2 of the Consolidated Financial Statements.

In accordance with Section 129(3) of the Act, and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“**SEBI Listing Regulations**”), the Consolidated Financial Statements of the Company and all its subsidiary & associate companies have been prepared and are forming part of this Annual Report. A statement containing salient features of the Financial Statements of the subsidiaries and associate companies is stated in the prescribed Form AOC- 1 as **Annexure 2**, which forms part of the Annual Report. The statement also provides details of the performance and the financial position of each of the subsidiaries and associates. The Consolidated Financial Statements presented in this Report include financial performance and financial position of the subsidiary and associate companies.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act, read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mrs. Payel Seth (DIN: 00003035), Non-Executive and Non-Independent Director of the Company retires by rotation at the ensuing AGM and being eligible, offer herself for reappointment. Your Board of Directors recommends her appointment.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on November 2, 2022 have approved re-designation of Mr. Pallak Seth (DIN: 00003040) as an Executive Vice Chairman of the Company. The Members of the Company via Postal Ballot dated December 21, 2022, have approved Mr. Pallak Seth's appointment as an Executive Vice Chairman of the Company.

Further, pursuant to the provisions of Section 161 of the Act the based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on March 28, 2023, have approved appointment of Mr. B G Srinivas (DIN: 00517585) as an Independent

Additional Director of the Company. His brief profile can be accessed at <https://pdsitd.com/investors/boardof-directors-and-committees/>

As on the date of the Report, the Board of Directors of the Company via Postal Ballot dated May 11, 2023, have approved Notice confirming Mr. B G Srinivas's appointment as an Independent Director for a period of 5(Five) consecutive terms from March 28, 2023 to March 27, 2028 of the Company. All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

Key Managerial Personnel

During the year under review and compliance of Section 203 of the Act, Mr. Rahul Ahuja was appointed as a Group Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f January 25, 2023 at the Board Meeting held on January 24, 2023. His brief profile can be accessed at <https://pdsitd.com/about-us/#key-management>. Mr. Ashish Gupta has resigned as Group Chief Financial Officer of the Company at the close of business hours on January 24, 2023.

As on date of this Report, Mr. Sanjay Jain, Group Chief Executive Officer, Mr. Rahul Ahuja, Group Chief Financial Officer and Mr. Abhishek Kanoi, Head of Legal & Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act.

Declaration of Independence by Independent Directors & adherence to the Company's Code of Conduct for Independent Directors

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations.

Further, all the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than payment of sitting fees and reimbursement of expenses, if any.

It may be noted that all the Independent Directors on the Board of the Company as on March 31, 2023 have been registered in the data bank of Independent Directors as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules,

2014, Independent Directors are exempted and not required to undertake online proficiency self-assessment test as per the aforesaid Rule.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, integrity, experience and expertise and fulfil the conditions specified under the Act, and the SEBI Listing Regulations.

Board Meetings

During the year under review, 8 (Eight) Meetings of the Board of Directors were held. Details about the Board Meetings and Committee Meetings are given in Report on Corporate Governance which forms part of this Report.

Compliance With Secretarial Standards

Your Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

Constitution of Various Committees

During the year under review, the Board of Directors of the Company has following Committees:

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

Details of each of the Committees stating their respective composition, terms of reference and other information are uploaded on website of the Company at www.pdsltd.com and are stated in brief in the Corporate Governance Report, forming part of this Report.

Policies on Appointment of Directors and their Remuneration

The remuneration paid to the Directors is in line with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. Further, the Company has in place the orderly succession plan for the appointments at the Board and Senior Management level.

The Company's policy on directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Report.

Policies

The Board of Directors of your Company, from time to time, has framed and revised various Policies as per the

applicable Acts, Rules, Regulations and Standards for better governance and administration of your Company. The Policies are made available on the website of the Company at https://pdsltd.com/investors/corporate_governance/#policies.

Annual Evaluation by the Board

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board of Directors after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board of Directors after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors held on March 28, 2023, performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

The evaluation process inter alia considers attendance of Directors at Board and Committee Meetings, acquaintance with business, communicating inter se Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual evaluation of the performance of the Board, its Committees and Individual Directors and Chief Executive Officer (CEO). The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee Members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the Individual Directors including CEO were reviewed by the Chairman of the Board.



Familiarization Program for Independent Directors

All new independent directors inducted into the Board are familiarized with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure has been made in following the same;
- appropriate accounting policies have been selected and applied consistently and judgements and estimates made 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;
- proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Act have been taken for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and are operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

1) Statutory Auditors and Auditor's Report

As per Section 139 of the Act and the Rules framed thereunder, Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration Number: 001076N/N500013), were appointed as Statutory Auditors of the Company at the 8th AGM held on November 13, 2019 to hold office from the conclusion of the 8th AGM till the conclusion of the 13th AGM. The Statutory Auditor has confirmed that they continue to remain eligible to act as the Statutory Auditor of the Company.

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors, in their Audit Report for the Financial Year 2022-23. The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

2) Secretarial Auditor

The Secretarial Audit Report for the financial year ended March 31, 2023, issued by MAKES & Co., Practicing Company Secretary, who were appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company for the Financial Year 2022-23, is enclosed herewith as **Annexure-3** and forms an integral part of this Annual Report. The said Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark except one stated in their Report.

As on date of this Report and pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company on recommendation of the Audit Committee on their respective Meetings held on May 11, 2023, has appointed SGGS & Associates, Company Secretaries as Secretarial Auditor of the Company for the Financial Year 2023-24.

Annual Secretarial Compliance Report

Pursuant to Regulation 24A of the SEBI Listing Regulations, the Secretarial Compliance Report for the financial year ended March 31, 2023 has been submitted to the Stock Exchanges.

Further, in this regard, please note that the Company does not have any material unlisted subsidiaries incorporated in India during the Financial Year 2022-23.

3) Cost Auditors

During the year under review, provisions of Section 148 of the Act, read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, relating to the Cost Audit are not applicable to the Company.

4) Details of Fraud reported by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor of the Company have reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Company has adopted Corporate Social Responsibility ("CSR") Policy and initiated CSR activities as per Schedule VII of the Act. The Company works primarily through the Soham for Kids Education Society, Foundation towards promoting education. The Company's CSR Policy is available on the website of the Company at https://pds ltd.com/investors/corporate_governance/#policies. The Annual Report on our CSR activities is annexed as **Annexure 4**.

In terms of Section 135 of the Act read with Rules and in accordance with the CSR Policy and the Annual Action Plan, your Company has during the Financial Year 2022-23 spent over two percent of the average net profits of your Company during the three preceding financial years. The details are provided in the Annual Report on CSR activities.

The Company also undertakes CSR initiatives outside of India, in various jurisdiction. The said initiatives are over & above the statutory requirement of the Company.

RISK MANAGEMENT

During the year under review, the Company has adopted a Risk Management Policy in terms of Regulation 21 of the SEBI Listing Regulations and the same is made available at the website of the Company at <https://pds ltd.com/investors/corporate-governance/#policies>.

The Risk Management Committee of the Company constituted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits. The Risk Management Committee had evaluated risk management framework which identifies relevant risks including cyber security and undertakes measures to mitigate the same periodically. Details of risks & concerns associated with the Company has been provided under Management Discussion and Analysis Report.

PARTICULARS OF EMPLOYEES

The Statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is annexed as **Annexure 5** and forms an integral part of this Report. As per the second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Shareholder interested in obtaining such details may write to the Company Secretary of the Company at investors@pds ltd.com and the same will be furnished on such request.

The Board of Directors affirm that the remuneration paid to employees of the Company is as per the Remuneration Policy of the Company.

RELATED PARTY TRANSACTIONS

The Board of Directors of the Company has formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act and SEBI Listing Regulations. The same is displayed on the website of the Company at <https://www.pds ltd.com/code-conduct/>. This Policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for

review and approval.

During the year under review, all the related party transactions were entered in the ordinary course of business and on arm's length basis. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note No. 33 of Standalone Financial Statement.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no related party transactions that are required to be reported under Section 188(1) of the Act in the prescribed Form AOC-2.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at www.pds ltd.com.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, Management Discussion and Analysis Report forms part of this Report.

CORPORATE GOVERNANCE

Your Company practices a culture that is built on core values and ethical governance practices. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. In terms of Regulation 34 of the SEBI Listing Regulations, the Report on Corporate Governance for the financial year ended March 31, 2023 along with the certificate confirming the compliance with regulations of corporate governance under the SEBI Listing Regulations is annexed as **Annexure 6** to this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per Regulation 34 of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report is enclosed as **Annexure 7** and forms part of this Report and can also be accessed on the Company's website at www.pds ltd.com.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Your Company has established a Vigil Mechanism Policy/Whistle Blower Policy to deal with instances of fraud and mismanagement and to enable Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and to report incidents of leak or suspected leak of unpublished price sensitive information. The Company has also hosted on its website NAVEX hotline for stakeholders to report such instances under Vigil



Mechanism. The said Policy ensures that strict confidentiality is maintained in respect of whistle blowers whilst dealing with concerns and also specified that no discrimination will be meted out to any person for a genuinely raised concern and has a provision of direct access to Chairman of Audit Committee in case of emergency cases. The Policy on Vigil Mechanism/ Whistle Blower Mechanism can be accessed through website of the Company viz. <https://pdsLtd.com/investors/corporate-governance/#policies>.

During the year under review, Nil complaint pertaining to the Company were received under the Whistle Blower mechanism.

DISCLOSURE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with the Rules thereunder, your Company has formulated and adopted a Policy on Prevention of Sexual Harassment at Workplace.

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

During the year under review, Nil complaint was received from any of the employees of the subsidiary Company regarding Sexual Harassment at workplace which has been duly disposed off and no complaint was pending at the end of the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy

Your Company is into the business of trading of garments on wholesale basis and does not have manufacturing activity so it does not consume heavy electricity.

i. The steps taken or impact on conservation of energy are-

- Measures like placing focused lighting systems and reducing lights wherever not needed.

- Effective utilization of work station for energy conservation.

ii. The steps taken by the Company for utilizing alternate sources of energy are-

The production activity of the Company is not energy intensive. However, solar plants are installed to optimize energy usage.

b) Technology absorption

The Company plans to introduce various measures to help the production improvement as well as reduce the wastage further.

c) Foreign exchange earnings and Outgo

Details of Foreign exchange earnings and outgo for the financial year under review are as follows:

Foreign Exchange Earning:

₹ 42,322.60 Lakhs for the Financial Year 2022-23 as against ₹10,394.58 Lakhs for the Financial Year 2021-22.

Foreign Exchange Outgo:

₹ 23,786.83 Lakhs for the Financial Year 2022-23 as against ₹3,472.80 Lakhs for the Financial Year 2021-22

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans and investments made by the Company under Section 186 of the Act during the year under review have been provided in Note 9 & 8 respectively to the Standalone Financial Statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report which may affect the financial position of the Company.

CHANGE OF REGISTERED OFFICE OF THE COMPANY

During the year under review, your Company has shifted its Registered Office from 758 & 759, 2nd Floor, 19th Main, Sector-2, HSR Layout, Bengaluru – 560 102, Karnataka, (India) to Unit No.971, Solitaire Corporate Park, Andheri – Ghatkopar Link Road, Andheri (East), Mumbai – 400093, Maharashtra (India), with effective from August 3, 2022.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY OPERATIONS IN FUTURE

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

LISTING

Equity Shares of your Company are listed on National Stock Exchange of India Limited and BSE Limited. Your Company has paid the required listing fees to Stock Exchange for the Financial Year 2022-23.

EXECUTIVE VICE CHAIRMAN, CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

In terms of the SEBI Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Mr. Pallak Seth, Executive Vice Chairman, Mr. Sanjay Jain, Group Chief Executive Officer and Mr. Rahul Ahuja, Group Chief Financial Officer, for the Financial Year 2022-23 with regard to the Financial Statements and other matters. The said Certificate forms part of this Report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make

difference to the Company's operations include changes in the government regulations, developments in the infrastructure segment, tax regimes and economic developments within India.

GENERAL

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (including sweat Equity shares) to employees of the Company under any Scheme save and except Employee Stock Option Scheme referred to in this Report.
3. No application was made, or any proceedings is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of the Company.

ACKNOWLEDGEMENT

Your Directors acknowledge the support extended by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Registrar of Companies and all other governmental and regulatory authorities for the guidance and support received from them including officials there at from time to time.

Your Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders in large including investors, customers, banks, financial institutions, and well-wishers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by the employees of your Company and its subsidiaries at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

By & On Behalf of the Board of Directors

For PDS Limited

(Formerly PDS Multinational Fashions Limited)

Deepak Kumar Seth

Chairman &

Non-Executive Director

DIN: 00003021

Pallak Seth

Executive Vice-Chairman

Director

DIN : 00003040

Date: May 11, 2023

Place: Mumbai, India



Annexure-1

Disclosure Pursuant to Regulation 14 of The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the Financial Year 2022-23

General Disclosures

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

All relevant disclosures have been made in the Financial Statements mentioned in this Report which can be accessed through web link – www.pdsltd.com.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33. Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. – Earning Per Share.

For details please refer to Note No. 44 to Standalone Financial Statements mentioned in this Report which can be accessed through web link - www.pdsltd.com

Scheme Specific Disclosures

Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 – Plan A	PDS Limited- Employee Stock Option Plan 2021 – Plan B*	PDS Limited – Phantom Stock Units Plan 2021**
1	Date of Shareholders Approval	February 25, 2021	July 30, 2021	July 30, 2021	July 30, 2021
2	Total No. of Options approved under ESOP	26,57,825 Stock Options	29,12,050 Stock Options	5,06,740 Stock Options	8,61,415 Stock Units
3	Vesting Requirements	The Nomination and Remuneration Committee may specify certain vesting conditions pursuant to which the Options may vest with the relevant Eligible Employee. The specific vesting schedule and vesting conditions would be determined by the Nomination and Remuneration Committee and identified in the grant letter issued to the Option grantee. Options/Units granted shall be capable of being exercised within a period of 4(four) years from the date of vesting.			
4	Maximum Term of Options/Units Granted				
5	Exercise Price or Pricing Formula				
6	Source of Shares (Primary, secondary or combination)	Primary	Primary	Secondary	-
7	Variation in Terms of Options/ Units	There have been no variations in the terms of the options/units.			
8	Method of Option Valuation	Indian Accounting Standards (Ind AS) has been adopted by Company in previous financial year and accordingly, the Company has accounted the stock options/units at Fair Value Method.			
9	Difference between the above and employee compensation cost that shall have been recognized if it had used the fair value of the options/units (if method is Intrinsic Value Method)	Not Applicable			

Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 – Plan A	PDS Limited- Employee Stock Option Plan 2021 – Plan B*	PDS Limited – Phantom Stock Units Plan 2021**
10	Option movement during the Year				
	Number of Options/Units outstanding at the beginning of the period, i.e., April 1, 2022	26,28,910	27,93,525	21,225	4,17,500
	Number of Options/Units granted during the year	20,000	1,10,000	3,40,000	-
	Number of Options/Units forfeited/lapsed during the year	Nil	1,16,250	Nil	1,35,000
	Number of Options/Units vested during the year	17,18,910	6,74,625	5,306	1,04,375
	Number of Options/Units exercised during the year	5,75,000	1,19,100	Nil	68,125
	Number of Shares arising as a result of exercise of options/units	5,75,000	1,19,100	Nil	Nil*
	Money realized by exercise of options/units (Amount in ₹)	₹4,60,00,000	₹2,63,17,900	Nil	Nil
	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Nil	Not Applicable
	Number of Options/units outstanding as at March 31, 2023	20,73,910	26,68,175	3,61,225	4,84,375
	Number of Options/units exercisable as at March 31, 2023	11,43,910	5,55,525	5306	36,250
11	Weighted average exercise price of Options/Units granted whose				
	(a) Exercise Price equals market price	Refer Annexure A & Note No. 44 to the Standalone Financial Statements			
	(b) Exercise Price is greater than market price				
	(c) Exercise Price is less than market price				
	Weighted average fair value of Options/units granted during the year whose				
	(a) Exercise Price equals market price	Refer Annexure A & Note No. 44 to the Standalone Financial Statements			
	(b) Exercise Price is greater than market price				
	(c) Exercise Price is less than market price				
	Weighted Average Information:				
	The fair value of employee share options, see (A) above, has been measured using Black Scholes Merton Model. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:				



Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 - Plan A	PDS Limited- Employee Stock Option Plan 2021 - Plan B*	PDS Limited - Phantom Stock Units Plan 2021**
12	Employee Wise details of-				
	i) Options/units granted to Key Managerial Personnel during the FY 2022-23	-	Mr. Rahul Ahuja, Chief Financial Officer - 2,00,000 Stock Options at Exercise price of ₹ 268/- per share.		
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year;	-	-	-	-
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-
13	A description of the method and significant assumptions used during the year to estimate the fair value of options.	Refer to Note No. 44 to the Standalone Financial Statements			

Notes:

During the year under the review, the Company has undergone stock split in the ratio of 1:5, pursuant to which the Face Value of per share has been changed from ₹10/- per share to ₹2/- per share

#The Company has purchased 1,32,225 shares held by PDS Multinational Fashions ESOP Trust as on March 31, 2023.

* Pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Vistro ITCL (India) Limited is Trustee.

** The Company's Stock Units are cash- settled & method used to account in fair value.

By & On Behalf of the Board of Directors

For **PDS Limited**

(Formerly PDS Multinational Fashions Limited)

Deepak Kumar Seth

Chairman & Non-Executive Director

DIN: 00003021

Pallak Seth

Executive Vice-Chairman

DIN : 00003040

Date: May 11, 2023

Place: Mumbai, India

Annexure A

Measurement of fair values

Equity settled share based payment arrangement

The Fair Value of employee share option has been measured using the Black-Scholes option-pricing model with the following weighted average assumptions:

Particulars	May 16, 2022	November 1, 2022	January 24, 2023
Shares Granted	1,10,000	1,60,000	2,00,000
Weighted average grant date fair value, per share (in ₹)	₹ 138.28	₹ 145	₹ 152
Exercise price, per share (in ₹)	253.40	248.00	268.00
Weighted average assumptions used:			
Expected volatility	35.8%	36.9%	36.9%
Expected lives (in years)	2.25	2.25	2.25
Risk-free interest rates	7.05%	7.32%	7.17%
Expected dividend yields	1.50%	1.51%	1.41%

Reconciliation of outstanding share options

The number and weighted average exercise price under the stock option (PDS ESOP 2021 and Plan A) are as follows:

Particulars	March 31, 2023		March 31, 2022	
	Number of options	Weighted average exercise price per share (₹)	Number of options	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	54,43,660	167.46	-	-
Granted during the year	4,70,000	255.00	10,88,732	837.28
Adjustment due to stock split #	-	-	43,54,928	(669.82)
Exercised during the year	6,94,100	104.00	-	-
Forfeited during the year	2,59,375	224.00	-	-
Outstanding at the end of the year	49,60,185	181.67	54,43,660	167.46

Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on July 29, 2022, each equity share of face value of ₹10/- per share has been subdivided into 5 (five) equity shares of face value of ₹2/- per share.

Annexure-2

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

Part A-Subsidiaries

Sl. No.	Name of the subsidiary	Date when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting period currency & Exchange rate as on the last date of Financial year in the case of foreign reporting subsidiaries.	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of shareholding**
1	Technocrat Fashions Private Limited	2003.2019	NA	INR	5.00	242.09	1,639.69	1,392.60	-	2,293.67	294.92	112.72	182.20	-	55.00%
2	DIZBI Private Limited	10.07.2020	NA	INR	1.00	3.29	463.80	459.51	-	698.57	(58.15)	-	(58.15)	-	100.00%
3	Norlanka Brands Private Limited	01.02.2021	NA	INR	5.00	(275.92)	248.94	519.86	-	168.02	(180.65)	-	(180.65)	-	100.00%
4	Multinational Textile Group Limited	13.05.2014	NA	USD	17,646.65	25,210.95	84,754.11	41,896.52	385.47	14,173.92	7,233.30	36.39	7,196.91	-	100.00%
5	Norwest Industries Limited	13.05.2014	NA	HKD	3,191.92	79,486.43	35,682.15	(46,996.20)	8,753.15	68,401.83	22,686.16	296.76	22,389.40	-	100.00%
6	Multinational OSG Services Bangladesh Limited	13.05.2014	NA	BDT	960.12	(435.37)	531.07	6.33	-	-	(90.28)	(3.30)	(86.97)	-	99.97%
7	PDS Smart Fabric Tech Limited (Formerly known as Funky Brands Company Limited)	19.01.2009	NA	HKD	-	-	-	-	-	-	-	-	-	-	100.00%
8	PDS Smart Fabric Tech (UK) Limited	07.09.2020	NA	HKD	205.14	243.50	463.78	15.14	-	0.60	(16.82)	-	(16.82)	-	100.00%
9	Techno Design GmbH	14.02.2014	NA	EUR	83.74	64.20	10,001.82	9,853.88	53.09	47,503.80	235.71	53.57	182.14	-	55.00%
10	Blueprint Design Limited	30.06.2016	NA	HKD	7.98	(3,428.57)	3.89	3,424.48	-	-	(1.75)	-	(1.75)	-	100.00%
11	PDS Global Investments Limited	21.12.2016	NA	USD	40.20	(5.22)	34.98	0.00	-	-	-	-	-	-	100.00%
12	PDS Fashions Limited	03.07.2018	NA	GBP	848.22	(681.41)	1,942.11	1,775.30	-	-	(56.61)	-	(56.61)	-	100.00%
13	Twins Asia FZCO	17.01.2019	NA	AED	21.89	1,038.18	2,009.17	949.10	-	21,571.84	970.21	-	970.21	-	75.00%
14	Design Arc FZCO	17.01.2019	NA	AED	21.89	(304.69)	14.46	297.26	-	-	27.32	-	27.32	-	75.00%
15	Kleider Sourcing FZCO	17.01.2019	NA	AED	21.89	1,220.65	4,018.72	2,776.18	-	43,604.04	3,235.52	-	3,235.52	-	41.00%
16	Spring Near East FZCO	17.01.2019	NA	GBP	19.39	1,769.50	3,244.27	1,455.38	-	4,398.89	(59.58)	-	(59.58)	-	55.00%
17	Techno Sourcing BD Limited	22.10.2019	NA	BDT	78.92	264.53	455.23	111.78	-	502.30	44.64	66.11	(21.47)	-	49.00%
18	Clover Collections FZCO	20.02.2020	NA	AED	21.89	2,939.94	8,507.95	5,546.12	-	45,829.26	4,016.72	-	4,016.72	-	75.00%
19	PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited)	13.05.2014	NA	HKD	328.20	(302.97)	478.48	453.26	-	-	(11.14)	-	(11.14)	-	100.00%
20	Techno Design HK Limited	13.05.2014	NA	HKD	79.80	4,687.85	11,414.74	6,647.09	-	40,990.80	2,646.32	-	2,646.32	-	55.00%
21	PG Group Limited	13.05.2014	NA	USD	804.01	3,002.98	5,944.16	2,137.17	-	24,461.54	1,226.87	(60.98)	1,287.85	-	51.00%

Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting period for the currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries.	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of shareholding**
22	PG Shanghai Manufacturer Co. Ltd	13.05.2014	NA	RMB	147.73	(98.96)	360.82	312.05	-	-	(0.89)	-	(0.89)	-	51.00%
23	PG Home Group Limited	13.05.2014	NA	USD	201.00	1,547.83	669.49	(1,079.35)	-	6,928.20	609.76	-	609.76	-	45.90%
24	PG Home Group SPA	13.05.2014	NA	CLP	2.76	(475.29)	223.50	696.04	-	-	(3.31)	-	(3.31)	-	45.90%
25	Grupo Sourcing Limited, Hongkong	15.03.2016	NA	HKD	79.80	(48.41)	562.42	531.03	-	2,628.16	(77.52)	25.94	(103.46)	-	51.00%
26	Grupo Sourcing Limited, Bangladesh	15.03.2016	NA	BDT	241.35	(382.04)	510.54	651.23	-	1,421.06	(21.95)	21.42	(43.37)	-	51.00%
27	Zamira Fashion Limited	13.05.2014	NA	HKD	199.49	269.95	6,669.73	6,200.29	-	33,121.50	109.85	20.73	89.12	-	67.00%
28	PDS Brands Manufacturing Limited (Formerly known as 6Degree Manufacturing Limited)*	24.10.2014	NA	HKD	167.58	222.83	2,052.56	1,662.15	-	11,824.16	366.51	-	366.51	-	100.00%
29	Zamira Fashion Limited Zhongshan	26.06.2015	NA	RMB	344.64	(216.40)	186.45	58.21	-	-	(0.28)	-	(0.28)	-	67.00%
30	Poeticgem International Limited	13.05.2014	NA	HKD	34.58	1,769.87	14,630.09	12,825.64	-	97,519.27	1,135.99	-	1,135.99	-	100.00%
31	Kindred Fashion Limited	23.08.2016	NA	HKD	0.01	(13.97)	12.19	26.15	-	-	(1.14)	-	(1.14)	-	100.00%
32	Simple Approach Limited	13.05.2014	NA	HKD	1,787.48	2,313.81	31,474.40	27,373.11	-	1,36,127.74	3,107.43	512.51	2,594.92	-	85.00%
33	Simple Approach (Canada) Limited	02.05.2013	NA	CAD	0.06	208.73	235.33	26.53	-	-	(0.97)	(5.10)	4.13	-	85.00%
34	PDS Asia Star Corporation Limited	13.05.2014	NA	HKD	239.39	2,702.90	6,100.07	3,157.77	-	46,545.19	872.40	-	872.40	-	60.00%
35	PDS Trading (Shanghai) Co. Ltd	13.05.2014	NA	RMB	703.41	(367.51)	677.74	341.84	-	-	48.29	-	48.29	-	60.00%
36	Casa Forma Limited	13.05.2014	NA	GBP	896.69	(878.94)	52.10	34.35	-	67.37	3.53	-	3.53	-	100.00%
37	PDS Sourcing Limited	13.05.2014	NA	USD	3,205.81	5,557.93	18,584.48	9,820.75	-	12,181.30	5,385.02	-	5,385.02	-	100.00%
38	Green Apparel Industries Limited	15.03.2016	NA	HKD	159.60	(5,499.66)	21,762.46	27,102.53	-	19,046.84	53.59	-	53.59	-	75.00%
39	Green Smart Shirts Limited	04.05.2016	NA	BDT	7,327.59	(3,822.35)	23,580.72	20,075.48	-	26,254.09	863.47	286.96	576.51	-	75.00%
40	Progress Manufacturing Group Limited	17.07.2015	NA	HKD	15,967.58	(6,176.06)	29,415.78	19,624.25	-	27,182.81	(42.33)	-	(42.33)	-	100.00%
41	Progress Apparels (Bangladesh) Limited	12.07.2015	NA	BDT	19,939.57	(13,702.95)	21,355.51	15,118.89	-	35,421.40	1,317.21	212.00	1,105.22	-	100.00%
42	PDS Ventures Limited	25.11.2015	NA	USD	19,175.66	323.29	23,250.32	3,751.37	-	-	(353.20)	-	(353.20)	-	100.00%
43	Poetic Brands Limited	15.01.2015	NA	GBP	48.47	1,365.88	5,856.13	4,441.78	-	18,878.83	333.37	75.03	258.35	-	60.00%
44	Poeticgem Limited	13.05.2014	NA	GBP	48.47	10,654.12	15,086.62	4,384.03	47.92	18,730.32	4,360.44	588.98	3,771.46	-	100.00%
45	Design Arc UK Limited	21.10.2016	NA	GBP	48.47	660.90	1,608.72	899.36	-	4,781.97	142.58	17.27	125.30	-	85.00%
46	F. X. Import Company Limited	13.05.2014	NA	GBP	24.43	(531.79)	304.48	811.84	-	-	(6.39)	-	(6.39)	-	100.00%
47	Poetic Knitwear Ltd	13.05.2014	NA	GBP	0.10	(690.03)	0.39	690.33	-	-	(2.06)	-	(2.06)	-	100.00%
48	Pacific Logistics Ltd	13.05.2014	NA	GBP	9.69	(403.99)	1.39	395.68	-	-	(6.09)	-	(6.09)	-	100.00%
49	Recovered Clothing Limited	24.07.2018	NA	GBP	48.47	(33.32)	2,493.63	2,478.48	-	4,313.45	150.75	7.12	143.63	-	60.00%
50	Techno Design USA LLC	16.04.2020	NA	USD	-	(133.17)	-	133.17	-	-	(4.31)	-	(4.31)	-	55.00%
51	360 Notch Limited	31.07.2015	NA	HKD	79.80	(2,935.43)	191.97	3,047.61	-	581.16	(307.25)	-	(307.25)	-	100.00%
52	Foreast Vogue Limited	13.05.2014	NA	HKD	7.98	386.18	90.61	(303.55)	-	-	(67.87)	-	(67.87)	-	60.00%



Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Reporting currency & Exchange rate as on the last date of financial year in the case of foreign subsidiaries.	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of shareholding**
53	Casa Collective Limited (Formerly known as Sourcing East West Limited)	19.01.2018	NA	HKD	79.80	(2,644.83)	1,170.64	3,735.66	-	2,273.71	(856.79)	-	(856.79)	-	75.00%
54	Nor Lanka Manufacturing Limited	22.10.2008	NA	HKD	1.28	3,994.88	16,878.47	12,882.31	-	84,723.90	4,719.88	-	4,719.88	-	90.00%
55	Krayons Sourcing Limited	16.12.2014	NA	HKD	7.98	4,825.68	6,602.60	1,768.94	-	55,704.48	3,647.17	-	3,647.17	-	75.00%
56	Design Arc Europe Limited	13.05.2015	NA	HKD	79.80	(2,010.46)	51.21	1,981.87	-	2,343.91	(133.37)	-	(133.37)	-	70.00%
57	Kleider Sourcing Hong Kong Limited	01.10.2018	NA	HKD	7.98	611.78	1,053.44	433.68	-	-	(94.18)	-	(94.18)	-	51.00%
58	Kleider Sourcing Limited, Bangladesh	01.10.2018	NA	BDT	816.87	(533.97)	650.93	368.03	-	-	(163.51)	24.37	(187.89)	-	51.00%
59	PDS Far-east Limited	23.08.2016	NA	HKD	0.80	(4,541.74)	756.10	5,297.05	-	6,649.21	(2,322.93)	-	(2,322.93)	-	100.00%
60	Kindred Brands Limited	23.10.2018	NA	HKD	0.80	(21.25)	4.07	24.52	-	-	(4.51)	-	(4.51)	-	57.50%
61	Styleberry Limited	13.09.2016	NA	HKD	7.98	(2,177.74)	3,690.88	5,860.64	-	8,636.60	(1,203.81)	-	(1,203.81)	-	100.00%
62	PDS Far East USA, Inc.	11.07.2017	NA	HKD	39.90	(417.48)	207.37	584.94	-	4,285.69	(507.56)	15.75	(523.31)	-	100.00%
63	PDS Ventures Limited (formerly Smart Notch Industrial Limited)	28.12.2017	NA	HKD	18,241.82	(773.17)	16,618.00	(850.65)	20,912.78	-	(1,003.08)	-	(1,003.08)	-	100.00%
64	Apex Black Limited	28.12.2017	NA	HKD	7.98	3,207.22	5,330.46	2,115.25	1,486.23	-	46.84	-	46.84	-	65.00%
65	Jcraft Array Limited	12.04.2018	NA	HKD	39.90	223.89	271.48	7.69	-	409.80	(134.52)	-	(134.52)	-	85.00%
66	Rising Asia Star Hong Kong Co., Limited	13.05.2014	NA	HKD	7.98	(1,529.63)	12.94	1,534.59	-	-	(5.25)	-	(5.25)	-	100.00%
67	PDS Tailoring Limited	13.05.2014	NA	HKD	7.98	(1,257.47)	589.50	1,838.99	-	2,683.23	(240.51)	-	(240.51)	-	70.00%
68	Spring Near East Manufacturing Co. Limited	13.05.2014	NA	GBP	130.84	2,621.34	6,240.36	3,488.17	-	33,203.59	(175.27)	(10.27)	(164.99)	-	65.00%
69	Claver Collections Limited	13.05.2014	NA	HKD	159.60	585.56	1,867.12	1,121.96	-	11,170.36	888.63	-	888.63	-	100.00%
70	JJ Star Industrial Limited	01.10.2018	NA	HKD	39.90	(1,562.84)	711.28	2,234.22	-	-	(271.03)	-	(271.03)	-	57.50%
71	Twins Asia Limited	27.07.2015	NA	HKD	79.80	1,215.64	519.94	(775.50)	-	14,216.20	2,649.26	-	2,649.26	-	100.00%
72	Design Arc Asia Limited	18.12.2012	NA	HKD	79.80	1,756.22	11,585.24	9,749.23	-	71,149.98	2,650.88	-	2,650.88	-	100.00%
73	Smart Notch Limited, Shanghai	20.04.2018	NA	RMB	58.62	330.76	448.59	59.21	-	1,580.62	312.67	(5.89)	318.56	-	100.00%
74	LillyandSid Ltd	10.03.2020	NA	GBP	0.10	102.13	1,705.28	1,603.04	-	7,932.33	(80.13)	-	(80.13)	-	55.00%
75	Nor Lanka Manufacturing Colombo Limited	13.05.2014	NA	HKD	417.77	422.24	5,432.97	4,592.96	-	11,820.60	272.12	78.34	193.77	-	100.00%
76	Brand Collective Limited (formerly PDS H2GO Glove Manufacturing Limited)	30.09.2020	NA	HKD	11.97	(138.66)	27.81	154.50	-	13.60	(133.38)	-	(133.38)	-	55.00%
77	Poetigem International FZCO	01.02.2021	NA	AED	21.89	304.86	9,433.78	9,107.03	-	35,483.72	451.51	-	451.51	-	65.00%
78	PDS Multinational FZCO	01.02.2021	NA	AED	9,260.72	163.22	11,459.08	2,035.14	-	-	1,867.78	-	1,867.78	-	100.00%
79	PDS Manufacturing Limited	22.03.2021	NA	USD	21,869.18	(26.81)	21,998.65	156.28	-	-	(18.19)	-	(18.19)	-	100.00%
80	Norlanka Progress (Private) Ltd	20.10.2015	NA	LKR	-	-	-	-	-	-	-	-	-	-	100.00%
81	PDS Brands Private Limited	28.07.2021	NA	INR	1.00	(1.29)	12.50	12.79	-	-	(0.96)	-	(0.96)	-	100.00%
82	Spring Design London Limited	13.05.2021	NA	GBP	-	(417.12)	75.05	492.17	-	-	(10.42)	-	(10.42)	-	100.00%

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83	PG Capital FZE	27.09.2021	NA	AED	21.89	119.43	796.40	655.08	-	-	94.64	21.39	73.25	-	100.00%
84	PDS Brands Manufacturing FZCO	01.01.2022	NA	AED	21.89	(12.67)	11.63	2.41	-	-	(12.95)	-	(12.95)	-	100.00%
85	S.O.T Garments India Pvt Limited	01.12.2021	NA	INR	5.00	399.53	636.35	231.81	-	507.15	81.40	51.74	29.66	-	99.99%
86	Brand Collective Corporation Limited	29.11.2021	NA	GBP	0.00	(666.07)	429.92	1,095.99	-	273.55	(691.99)	-	(691.99)	-	100.00%
87	Sourcing Solutions Limited	31.05.2021	NA	HKD	7.98	(150.66)	3,236.90	3,379.59	-	11,294.73	717.27	-	717.27	-	100.00%
88	Simple Approach Bangladesh Private Limited	25.05.2022	NA	BDT	289.78	(7.14)	298.47	15.84	-	-	(6.77)	-	(6.77)	-	85.00%
89	Design Arc Europe SPA	13.05.2014	NA	EUR	2.51	(46.50)	46.32	84.58	-	-	121.73	-	121.73	-	70.00%
90	DBS Lifestyle India Private Limited	27.10.2022	NA	INR	2.04	1,835.64	2,716.84	879.16	-	825.65	(88.56)	(7.75)	(80.81)	-	51.00%
91	Suri Overseas Private Limited	27.10.2022	NA	INR	2.09	12.04	70.20	56.07	-	86.21	(41.04)	(10.31)	(30.74)	-	51.00%
92	S.Oliver Fashion India Private Limited	27.05.2022	NA	INR	1,314.00	(1,094.80)	230.38	11.18	-	-	0.42	-	0.42	-	99.99%
93	Sunny Up Limited	09.08.2022	NA	GBP	0.00	501.00	1,493.71	992.71	-	3,260.68	82.02	(7.02)	89.04	-	60.00%
94	PDS Fashions Hong Kong Limited	02.08.2022	NA	HKD	7.98	(55.54)	19.25	66.81	-	-	(56.69)	-	(56.69)	-	100.00%
95	PDS Sourcing Hong Kong Limited	10.10.2022	NA	HKD	-	-	-	-	-	-	-	-	-	-	100.00%
96	PDS Design Services Limited	08.12.2022	NA	HKD	-	-	-	-	-	-	-	-	-	-	100.00%
97	PDS Lifestyle Limited	08.12.2022	NA	HKD	-	-	-	-	-	-	-	-	-	-	100.00%
98	SKOPE Apparel FZCO	26.12.2022	NA	AED	21.89	-	1.09	(20.80)	-	-	-	-	-	-	75.00%
99	Infinity Fashion FZCO	26.12.2022	NA	AED	21.89	-	1.09	(20.80)	-	-	-	-	-	-	75.00%
100	PDS Logistics FZCO	03.10.2022	NA	AED	21.89	(8.67)	13.22	-	-	-	(8.86)	-	(8.86)	-	51.00%
101	PDS Sourcing FZCO	26.10.2022	NA	AED	21.89	(2.45)	19.44	-	-	-	(2.51)	-	(2.51)	-	100.00%
102	Collaborative Sourcing Services FZCO	25.07.2022	NA	AED	21.89	122.72	969.61	825.00	-	-	125.45	-	125.45	-	100.00%
103	Lily and Lionel London Limited	06.01.2023	NA	GBP	0.10	(68.56)	158.08	226.54	-	2.98	(71.71)	-	(71.71)	-	85.00%
104	PG Group SPA	24.01.2023	NA	EUR	-	-	-	-	-	-	-	-	-	-	51.00%
105	Coso Collective Sourcing Limited	17.03.2023	NA	HKD	-	-	-	-	-	-	-	-	-	-	75.00%
106	Design Arc Brands Limited	22.02.2023	NA	GBP	0.10	(153.82)	0.10	153.82	-	-	(160.88)	-	(160.88)	-	85.00%
107	PDS Global Procurement Service FZCO	22.03.2023	NA	AED	-	-	-	-	-	-	-	-	-	-	100.00%
108	Upcycle Labs Limited (formerly known as Filkor Ltd)	21.09.2021	NA	GBP	485.18	(66.37)	1,091.06	672.25	-	-	(50.81)	-	(50.81)	-	61.00%

*Investments Except Investment in Group Entities (Subsidiaries / Joint Ventures / Associates).

** Extent of shareholding is the shareholding at PDS Group level. For further details, refer Note No. 2 of Consolidated Financial Statements

**Notes:**

1. Names of subsidiaries which are yet to commence operations:

PDS Smart Fabric Tech (UK) Limited
Casa Collective Sourcing Limited
PDS Global Procurement Service FZCO
PDS Logistics FZCO
PDS Sourcing FZCO
Collaborative Sourcing Services FZCO
PDS Fashions Hong Kong Limited
PDS Sourcing Hong Kong Limited
PDS Design Services Limited
PDS Lifestyle Limited
SKOPE Apparels FZCO
Infinity Fashion FZCO

2. There are nil subsidiaries which have been liquidated or sold during the year.

3. Details of reporting currency and the rate used in the preparation of consolidated financial statements

Currency	For Conversion	
	Closing rate (in ₹)	Average rate (in ₹)
HKD	10.26	10.47
USD	80.40	82.18
GBP	96.94	101.39
RMB	11.72	11.96
AED	21.89	22.38
BDT	0.82	0.77
EUR	83.74	89.08
INR	1.00	1.00
CAD	60.77	60.80
LKR	0.22	0.25
CLP	0.09	0.10

4. Winding up process has been initiated for Norlanka Progress Private Ltd.

Sl. No.	Name of Associates or Joint Ventures (1)	Latest audited Balance Sheet Date (2)	Date on which the Associate or JV was associated or acquired (3)	Shares of Associate or Joint Ventures held by the company on the year end (4)			Description of how there is significant Influence (5)	Reason why the associate/joint venture is not consolidated (6)	Networth attributable to shareholding as per latest audited Balance Sheet (7)	Profit or Loss for the year (8)	
				No.	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
Joint Ventures											
1	Redwood Internet Ventures Limited	31-Mar-23	09.12.2015	5,000	USD 5000	50.00%	50% joint venture	NA	-	-	-
2	Digital Internet Technologies Limited	31-Mar-23	25.02.2016	10,000	USD 10000	50.00%	50% joint venture	NA	-	-	-
3	Digital Ecom Techno Private Limited	31-Mar-23	17.06.2016	63,17,990	INR 63179900	42.14%	50% joint venture	NA	-	-	-
4	Yellow Octopus EU Sp. Z.oo	-	27.09.2021		AED 41440283	50.00%	50% joint venture	NA	455.89	(24.29)	-
5	Yellow Octopus EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)	-	27.09.2021	N.A.	-	50.00%	50% joint venture	NA	-	-	-
6	One Stop Shop Solutions EU Sp. Z.oo	-	27.09.2021		-	50.00%	50% joint venture	NA	-	-	-
7	Yellow Octopus Ventures FZCO	-	27.09.2021		-	50.00%	50% joint venture	NA	-	-	-
8	One Stop Shop Solutions EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)	-	27.09.2021	N.A.	-	50.00%	50% joint venture	NA	-	-	-
9	Yellow Octopus-UK Limited (Formerly Yellow Octopus Fashion Ltd)		27.09.2021		USD 10000	50.00%	50% joint venture	NA	(145.27)	238.44	-
Associates											
1	GWD Enterprises Limited	-	21.10.2010	100 A Shares and 25 B shares	0	25.00%	Group holds investment which by share ownership is deemed to be an associate company	NA	-	-	-
2	Loop Digital Wardrobe Limited	31-Mar-23	15.09.2021	GBP 200000	GBP 200000	34.00%		NA	96.99	(26.33)	-
3	Reflaunt Pte Limited	-	27.09.2021	200000		26.00%		NA	-	-	-
4	Sourcing Solution Europe BVBA *	31-Mar-23	01.04.2018	USD 50000	USD 571867	50.00%		NA	-	(155.89)	-

By & On Behalf of the Board of Directors

For **PDS Limited**

(Formerly PDS Multinational Fashions Limited)

Deepak Kumar Seth

Chairman & Non-Executive Director

DIN : 00003021

Pallak Seth

Executive Vice-Chairman

DIN : 00003040

Date: May 11, 2023

Place: Mumbai, India



Annexure-3

MR-3

Secretarial Audit Report For the Financial Period Ended March 31, 2023

[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,
PDS Limited**

(Formerly PDS Multinational Fashions Limited)
Unit No.971, Solitaire Corporate Park, Andheri
Ghatkopar Link Road, Andheri (East),
Mumbai, Maharashtra—400093, India (“the Company”)
[L18101MH2011PLC388088]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by PDS Limited (Formerly PDS Multinational Fashions Limited) [“the Company”]. The 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 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 period ended on March 31, 2023 (commencing from April 1, 2022 to March 31, 2023), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/confirmation received from the management, in the manner and subject to the reporting made hereinafter. The Members are requested to read Secretarial Audit Report (“Report”) along with our letter dated May 11, 2023 an enclosed herewith to this Report as **Annexure – A**.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2023 according to the applicable 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 thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;

- 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 audit period as the Company has not issued any shares during the year under review);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021{or the erstwhile Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014};
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021{or the erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008};(Not applicable to the Company during the audit period as the Company has not issued any debt securities during the year under review);
 - 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 clients (Not applicable since the Company is not registered as Registrar to Issue and Share Transfer Agent during the period);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period as the Company has not delisted/ proposed to delist its equity shares during the year under review).

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period as the Company has not bought back/ proposed to buy-back any of its securities during the year under review);
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We have relied upon the representation made by the Company, its officers, and compliance reports from the management for systems and mechanism framed by the Company and basis that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance of other Act, Laws and Regulations specifically applicable to the Company.
 3. We have also examined compliance with the applicable clauses of the following:
 - i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards; and
 - ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR Regulations") and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited except as mentioned in point no. 6 herein below.
 4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations, Secretarial Standards and the Listing Agreements, as mentioned above.
 5. We further report that compliance of applicable financial laws including direct and indirect tax laws and maintenance of financial records and books of accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
 6. We further report that during the period under review, the stock exchanges had issued a notice to the Company regarding non-compliance of the Regulation 19(1)(c) of the SEBI LODR Regulations w.r.t composition of the Nomination and Remuneration Committee. The Company has duly rectified the said non-compliance during the period under review.
 7. We further report that:
 - i) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors including woman directors. There is no Executive Director on the Board of the Company. Changes in the composition of Board of Directors that took place during the year under review

were carried out in compliance with the provisions of the Act.

Appointment of Mr. Pallak Seth as an Executive Vice Chairman and Director for a period of 5 years:

Mr. Pallak Seth (DIN: 00003040) being a Nonresident Indian ('NRI') is one of the promoters of the Company and presently the Executive Vice Chairman of the Company.

The Shareholders of the Company at their meeting held on December 21, 2022 has approved the proposal for appointment of Mr. Pallak Seth as a Vice Chairman and Executive Director for period of 5 years, subject to approval the Central Government, with effect from November 02, 2022 to November 01, 2027. The proposal was recommended by the Nomination & Remuneration Committee and the Board of Directors in their respective meeting held on November 02, 2022. The Company has filed necessary e-form MR-2 for seeking approval of the Central Government (Ministry of Corporate Affairs) in this regard which is pending for approval as on date.

- ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice and Agenda with notes to Agenda of Board meetings was sent at least seven days in advance of the meeting except in certain cases where meeting was held at shorter notice and a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- iii) Decisions of Board/Committee were carried through majority. We have been informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- iv) 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.
- v) We further report that during the audit period the Company had no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

**For M/s. MAKS & Co.,
Company Secretaries**
[FRN P2018UP067700]

Ankush Agarwal
Partner
Membership No.: F9719
COP No.: 14486
Peer View No.: 2064/2022
UDIN: F009719E000296874

Place: Noida
Date: 11.05.2023



Annexure –A to Secretarial Audit Report dated May 11, 2023

To,
The Members
PDS Limited
(Formerly PDS Multinational Fashions Limited)
Unit No.971, Solitaire Corporate Park, Andheri
Ghatkopar Link Road, Andheri (East), Mumbai,
Maharashtra—400093, India ("the Company")
[CIN: L18101MH2011PLC388088]

The Secretarial Audit Report dated May 11, 2023 is to be read with this Letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to PDS Limited (Formerly PDS Multinational Fashions Limited) [hereinafter referred as 'the Company'] is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. 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 followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit process.
5. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. This 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 M/s. MAKS & Co.,
Company Secretaries
[FRN P2018UP067700]

Ankush Agarwal
Partner
Membership No.: F9719
COP No.: 14486
Peer View No.: 2064/2022
UDIN: F009719E000296874

Place: Noida
Date: 11.05.2023

Annexure-4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

(Pursuant to the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the company's CSR policy of the Company:

We have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfill the needs and expectations of the communities around us. Our Corporate Social Responsibility ("CSR") is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability-related initiatives. Our CSR Policy aims to provide a dedicated approach to community development in the areas of supporting primary education and contribute to the sustainable development of society and environment, and to make our planet a better place for future generations.

2. The Composition of the CSR Committee as on March 31, 2023

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee during the year	
			Held	Attended
1.	Mr. Mungo Park	Non-Executive - Independent Director, Chairman	1	1
2.	Mr. Pallak Seth	Executive - Non-Independent Director, Member	1	1
3.	Mr. Parth Gandhi	Non-Executive - Non Independent Director, Member	1	1

3. 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.

The composition of the CSR Committee is available on our website, at <https://pdsLtd.com/investors/board-of-directors-and-committees/>.

The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at https://pdsLtd.com/investors/corporate_governance/#policies.

The Board of Directors at its meeting held on May 16, 2022, has approved the annual action plan / projects, the details of which are available on our website, at <https://pdsLtd.com/sustainability/#social-responsibility>.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if - Not Applicable

5. Net Profit Calculation

a)	Average net profit of the company as per sub-section (5) of section 135.	₹7,57,76,166
b)	Two percent of average net profit of the company as per section 135(5)	₹15,15,523
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
d)	Amount required to be set off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year (5b + 5c - 5d)	₹15,15,523

**6. Details of CSR Amount Spent**

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹15,15,523
b)	Amount spent in Administrative Overheads	Nil
c)	Amount spent on Impact Assessment, if applicable	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	₹15,15,523

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per 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
₹15,15,523	-	-	-	-	-

f) Excess amount for set-off: Not Applicable

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

7. Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:** Not Applicable

By & On Behalf of the Board of Directors

For **PDS Limited**

(Formerly PDS Multinational Fashions Limited)

Deepak Kumar SethChairman &
Non-Executive Director
DIN: 00003021**Mungo Park**Independent Director
Chairman of CSR Committee
DIN : 09390792Date: May 11, 2023
Place: Mumbai, India

Annexure-5

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for Financial Year 2022-23 along with percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the Financial Year 2022-23

The median remuneration of employees of the Company during the Financial Year 2022-23 was ₹9,81,000/- and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

Sr. No.	Name of Directors/ Key Managerial Personnel (KMPs)	Designation	Remuneration of Director/ KMPs for 2022-23 (₹ In Lacs)	Ratio of Directors Remuneration to Median Remuneration of Employees for 2022-23	% increase in Remuneration in the FY 2022-23#
1	Mr. Deepak Kumar Seth	Non-Executive Director	Nil	NA	NA
2	Mrs. Payel Seth	Non-Executive Director	Nil	NA	NA
3	Mr. Pallak Seth%	Executive Vice Chairman	Nil	NA	NA
4	Mr. Parth Gandhi^	Non-Executive Director	Nil	NA	NA
9	Mr. Robert Sinclair*	Independent Director	Nil*	-	-
10	Mr. Mungo Park*	Independent Director	Nil*	-	-
11	Ms. Yael Gairola*	Independent Director	Nil*	-	-
12	Mr. Nishant Parikh*	Independent Director	Nil*	-	-
13	Mr. B G Srinivas* (appointed w.e.f. March 28, 2023)	Independent Director	Nil*	-	-
14	Mr. Sanjay Jain^^	Chief Executive Officer	699.78	69.98	115.46%
15	Mr. Ashish Gupta^^ (resigned w.e.f. close of business hours of January 24, 2023)	Former Chief Financial Officer	166.74	16.67	NA
16	Mr. Rahul Ahuja^^ (appointed w.e.f. close of business hours of January 25, 2023)	Chief Financial Officer	81.65	8.17	NA
17	Mr. Abhishek Kanoj^^	Head of Legal & Company Secretary	98.28	9.83	59.93%

% Mr. Pallak Seth's designation has been changed from Non-Executive & Non-Independent Director to Executive Vice Chairman w.e.f. November 2, 2022.

* Mr. Robert Sinclair, Mr. Mungo Park, Ms. Yael Gairola, Mr. Nishant Parikh & Mr. BG Srinivas (Independent Directors) are also the Directors on the board of the subsidiaries and are being paid sitting fees from such subsidiaries.

#The percentage increase of remuneration is provided for only those Directors and KMPs who have drawn remuneration from the Company for full Financial Year 2021-22 & 2022-23.

^ Mr. Parth Gandhi has been granted 1,25,000 Stock Options on October 22, 2021.

^^The remuneration excludes stock options granted in accordance with the Employee Stock Option Plan for the Financial Year 2022-23.

Note:

- Median for employees is calculated based on the fixed salaries for the respective financial years.
- The aforesaid details are calculated on the basis of remuneration for the Financial Year 2022-23 and include sitting fees paid to Directors during the Financial Year.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- There has been no change in the payment criteria for remuneration to non-executive / independent directors

**2) The percentage increase in the median remuneration of employees in the financial year:**

The percentage change in the Median Remuneration of Employees in the Financial Year 2022-23 was 15.41% as compared to Financial Year 2021-22.

3) The number of permanent employees on the rolls of the Company:

There were 180 permanent employees on the rolls of the Company as on March 31, 2023.

4) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the Financial Year 2022-23, the average percentage increase in salary of the Company's employees, excluding the Key Managerial Personnel ('KMP') was 9%. whereas the increase in managerial remuneration for the Financial Year 2022-23 was 11% (excluding any other perquisite).

The remuneration of Independent Directors consists of sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees etc., were taken into consideration.

5) Affirmation that the remuneration is as per the remuneration policy of the company:

It is affirmed that the remuneration paid is as per the Nomination & Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

By & On Behalf of the Board of Directors

For **PDS Limited**

(Formerly PDS Multinational Fashions Limited)

Deepak Kumar Seth

Chairman & Non-Executive Director

DIN: 00003021

Pallak Seth

Executive Vice-Chairman

DIN : 00003040

Date: May 11, 2023

Place: Mumbai, India

Annexure-6

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance of PDS Limited (*Formerly PDS Multinational Fashions Limited*) (hereinafter referred as “**the Company**”) as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“**the SEBI Listing Regulations**”) is given below:

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to Values. Good governance practices stem from culture and mindset of the organization.

The Company strives to foster a corporate culture in which high standard of ethical behavior, individual accountability and transparent disclosure are ingrained in all its business dealing and shared by its Board of Directors, Management and Employees. Over the years governance process and systems have been strengthened at the Company. In addition to complying with the statutory requirements, effective governance system and practices towards improving transparency, disclosures, internal controls and promotion of ethics at workplace.

Your Company confirms compliance with the Corporate Governance requirements as enshrined in the SEBI Listing Regulations. The Company in its endeavor towards the best Corporate Governance and to provide transparency has initiated various measures.

Your Company is committed to all its Customers, Suppliers, Employees, Banks and financial institutions, government agencies and statutory authorities which are directly or indirectly concerned with the Company.

BOARD OF DIRECTORS

Composition, meetings and attendance during the year:

- a. The Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2023, the composition of your Company’s Board of Directors (“**Board**”) comprises of 9 (Nine) Directors out of which 5 (Five) are Independent Directors, 2 (Two) are Promoters and Non-Executive and Non-Independent Directors, 1 (One) is Promoter & Executive Non-Independent Director and 1

(One) Non-Executive and Non-Independent Director and Board composition is in conformity with the Companies Act, 2013 (“**the Act**”) and also Regulation 17 of the SEBI Listing Regulations.

- b. None of the Directors on the Board holds directorship in more than 10 (Ten) public companies. None of the Independent Directors serves as an Independent Director on more than 7 (Seven) listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors is a member of more than 10 committees or acted as chairperson of more than 5 committees, as per Regulation 26(1) of the SEBI Listing Regulations across all the public limited companies in which he/she is a director.
- c. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with 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 Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- d. During the year under review, 8 (Eight) Board Meetings were held on May 16, 2022, June 1, 2022, August 1, 2022, August 31, 2022, November 2, 2022, November 7, 2022, January 24, 2023 and March 28, 2023. The gap between two meetings has not exceeded one hundred and twenty days as per the compliance requirement due to safety measures and precautions. The directors participated in the meetings of the Board and Committees held during the year Financial Year 2022- 23 through video conferencing/ other audiovisual means due to safety measures and precautions. The meetings and agenda items taken up during the meetings complied with the Act and SEBI Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (“**MCA**”) and Securities Exchange Board of India (“**SEBI**”).
- e. The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting



("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2023 are given herein below:

Name and Designation of Director	DIN	Category	No. of Board Meetings Attended	No. of Directorship held in other Public entities #	No. of Board Committees of other Public Companies in which Director is Chairman(C)/ Member (M)		Attendance at last AGM	Name of the Other Listed entity & Category of Directorship in that entity
					C	M@		
Mr. Deepak Kumar Seth Chairman & Non-Executive & Non-Independent Director	00003021	Promoter & NED(NID)	8	3	-	-	Yes	Pearl Global Industries Limited – NED(NID)
Mrs. Payel Seth Non-Executive & Non-Independent Director	00003035	Promoter & NED(NID)	3	1	-	-	Yes	-
Mr. Pallak Seth ¹ Executive Vice Chairman	00003040	Promoter & ED(NID)	7	-	-	-	Yes	-
Mr. Parth Gandhi Non-Executive & Non-Independent Director	01658253	NED(NID)	8	-	-	-	Yes	-
Mr. Mungo Park Independent Director	09390792	NED (I)	7	-	-	-	Yes	-
Mr. Robert Sinclair Independent Director	09390821	NED (I)	8	-	-	-	No	-
Mr. Nishant Parikh Independent Director	07349640	NED (I)	7	-	-	-	Yes	-
Ms. Yael Gairola Independent Director	08434509	NED (I)	8	-	-	-	Yes	-
Mr. B G Srinivas ² Independent Director	00517585	NED (I)	NA	-	-	-	NA	-

1. Mr. Pallak Seth's designation has been changed from Non-Executive & Non-Independent Director to Executive Vice Chairman w.e.f. November 2, 2022.

2. Mr. B G Srinivas was appointed as an Additional Independent Director w.e.f. March 28, 2023

Note:

(i) ED - Executive Director/ NED(I) - Non-Executive Director (Independent)/ NED- Non-Executive Director/ NED(NID) - Non-Executive Non-Independent Director.

(ii) #Foreign Companies, Bodies Corporate, Private Companies and Companies under Section 8 of the Act are excluded for the above purpose.

(iii) Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in Listed Companies other than PDS Limited.

(iv) @Member includes Chairman.

(v) As on March 31, 2023, Mr. Deepak Kumar Seth, Mrs Payel Seth and Mr. Pallak Seth are related to each other. No other Directors are related inter se.

Shareholding of Non-Executive Directors as on March 31, 2023

Name of Director	No. of Shares held	% of total share capital
Mr. Deepak Kumar Seth	1,57,78,670	12.05
Mrs Payel Seth	6,93,76,210	52.99
Mr. Parth Gandhi	35,635	0.02

Note: The Company has undergone stock-split in the ratio of 1:5 on August 26, 2022.

Shareholding of Executive Directors as on March 31, 2023

Name of Director	No. of Shares held	% of total share capital
Mr. Pallak Seth	13,54,190	1.06

Further, on an on-going basis, as a part of agenda of Board/Committee Meetings, presentations are regularly made to the Board including the Independent Directors on various matters inter-alia covering the Company's and its Subsidiaries/Associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website viz. www.pdsltd.com

In the opinion of the Board, the Independent Directors on the Board of the Company fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. During the Financial Year 2022-23, no independent directors have resigned.

- f. During the Financial Year 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations has been placed before the Board for its consideration.
- g. During the Financial Year 2022-23, an Independent Directors meeting was held on March 28, 2023. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Core Skills/ Expertise/ Competencies of Board of Directors

The Board comprises of qualified members who possess relevant skills, expertise and competence for the effective functioning of the Company. The Board of Directors have identified the following skills / expertise / competencies fundamental for the effective functioning of the Company:

Director	Area of expertise / skills /competence					
	Governance	Industry	Finance	Legal	International Business	Technology
Mr. Deepak Kumar Seth (DIN: 00003021)	✓	✓	✓	✓	✓	✓
Mrs. Payel Seth (DIN: 00003035)	✓	✓	-	-	✓	-
Mr. Pallak Seth (DIN: 00003040)	✓	✓	✓	-	✓	✓
Mr. Parth Gandhi (DIN: 01658253)	✓	-	✓	-	✓	-
Mr. Mungo Park (DIN: 09390792)	✓	✓	-	-	✓	-
Mr. Robert Sinclair (DIN: 09390821)	✓	✓	-	-	✓	✓
Mr. Nishant Parikh (DIN: 07349640)	-	-	-	✓	✓	-
Ms. Yael Gairola (DIN: 08434509)	✓	✓	✓	✓	✓	-
Mr. B G Srinivas (DIN: 00517585)	✓	-	✓	-	✓	✓

Board diversity

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalized a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website and can be accessed on web link at www.pds ltd.com.

Compliance with the Code of Conduct

The Company has adopted the "Code of Conduct for Directors & Senior Managerial Personnel (Code). This Code is to be adhered to by the Senior Management of the Company and its Subsidiaries including Directors, Members of Management one level below the Directors and all functional heads. The Code is available on the website of the Company. (web link: https://pds ltd.com/investors/corporate_governance/#code-of-conduct).

A declaration signed by the Group Chief Executive Officer confirming that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2022-23 is placed at the end of this Report.

BOARD COMMITTEES

The Board committees are set up by the Board and are governed by their respective terms of reference which exhibit their scope and responsibilities. Presently, the Board has 5 (five) committees, namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The committees operate under the direct supervision of the Board. Generally, Committee meetings are held prior to the Board meeting and the chairperson of the respective committees report to the Board about the deliberations and decisions taken by the committees.

AUDIT COMMITTEE

Composition, meetings and attendance during the year:

During the year under review, 5 (Five) Meetings of the Audit Committee were held on May 16, 2022, August 1, 2022, November 2, 2022, January 24, 2023 & March 28, 2023. The present committee comprises of Ms. Yael Gairola, Chairperson, Mr. Deepak Kumar Seth, Member, Mr. Mungo Park, Member and Mr. Nishant Parikh, Member of the Committee. The Chairperson of Audit Committee is an Independent Director.



The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Ms. Yael Gairola*	Chairperson	5	5
Mr. Deepak Kumar Seth	Member	5	5
Mr. Mungo Park	Member	5	5
Mr. Nishant Parikh#	Member	5	5

* Mr. Nishant Parikh has attended meeting held on August 1, 2022 as a Chairman & Ms. Yael Gairola as a Member

The meetings of the Audit Committee were also attended by the Chief Financial Officer, Statutory and Internal Auditors as special invitees. The Company Secretary acts as a Secretary to the Audit Committee. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board. Members of the Audit Committee have requisite expertise in the field of Finance and Management.

Terms of reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;
- 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;
 - g. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;

- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., Chief Financial Officer or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Committee.

Internal control system and their adequacy

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed an Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Robert Sinclair	Chairman	5	5
Ms. Yael Gairola	Member	5	5
Mr. Parth Gandhi#	Member	5	3
Mr. Deepak Kumar Seth*	Member	5	2

*Mr. Deepak Kumar Seth has been appointed as a Member of the Committee w.e.f. November 2, 2022.

Mr. Parth Gandhi ceased to be Member of the Committee w.e.f. January 23, 2023.

The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee. Minutes of the Nomination and Remuneration Committee are placed and discussed in the next meeting of the Board.

Terms of reference:

The terms of reference of this Committee, inter alia covers all the matters specified under the scope and function of the Nomination and Remuneration Committee and is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI Listing Regulations and which is as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to,

The Audit Committee of the Board periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management. Additionally, in compliance with requirements of Regulation 24 of SEBI Listing Regulations, the Audit Committee reviews operations of the Subsidiary Companies including their financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees, if any.

All recommendations made by the Audit Committee during the year under review were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

Composition, meetings and attendance during the year:

During the year under review, 5 (Five) Meetings of the Nomination and Remuneration Committee were held on May 16, 2022, June 1, 2022, November 1, 2022 January 23, 2023 and March 28, 2023. Further, the Committee approved 5 (Five) routine business matters through Circular Resolutions. The Nomination and Remuneration Committee was re-constituted by the Board at their meeting held on November 2, 2022 & January 24, 2023 respectively. The present committee comprises of Mr. Robert Sinclair, Chairman, Ms. Yael Gairola, Member and Mr. Deepak Kumar Seth, Member.

the remuneration of the directors, key managerial personnel and other employees;

- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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 of directors their appointment and removal and shall carry out evaluation of every directors performance;
- recommend to the Board, all remuneration, in whatever form, payable to senior management.



("Senior Management" shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager and shall specifically include company secretary and chief financial officer.)

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof);
- Review the Company's ESOP Schemes and recommend changes as necessary;
- Oversee administration of the ESOP Schemes;
- Grant Options to eligible employees, in consultation with management and issue and allot shares when Options are exercised.

The Nomination and Remuneration Committee has been entrusted with role of formulating criteria for determining the qualifications, positive attributes and the independence of the Directors as well as identifying persons who may be appointed at senior management levels and also devising a policy on remuneration of Directors, Key Managerial Personnel and other senior employees.

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors. The Chairperson of the Committee is Independent Director.

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

- Attendance and contribution at Board and Committee meetings
- Knowledge on specific matters like finance, legal, marketing, internal controls, risk management, and business operations.
- Pro-active and positive approach with regard to Board and Senior Management particularly the arrangement for management of risk and the steps needed to meet challenges from the competition.
- Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.
- Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon.

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149 of the Act. A format letter of appointment to Independent Director as provided in the Act has been issued and disclosed on website of the Company viz. www.pdslttd.com.

Nomination and Remuneration Policy

The Board of the Company has adopted Nomination and Remuneration Policy ("Policy") for the Company, inter-alia, to deal with the manner of selection of Board and KMPs and their remuneration. The Policy is annexed as Annexure to this Report.

DIRECTOR REMUNERATION

Sr. No.	Name of the Director	Sitting Fees for attending Board & Committee Meetings***	Salary and Perquisites***	Incentive/ Bonus	Total
1.	Mr. Deepak Kumar Seth	Nil	Nil	Nil	Nil
2.	Mrs. Payel Seth	Nil	Nil	Nil	Nil
3.	Mr. Pallak Seth	Nil	Nil	Nil	Nil
4.	Mr. Parth Gandhi	Nil	**1,25,000 Stock Options	Nil	**1,25,000 Stock Options
5.	Mr. Mungo Park	Nil	N.A	N.A	Nil
6.	Mr. Robert Sinclair	Nil	N.A	N.A	Nil
7.	Mr. Nishant Sinclair	Nil	N.A	N.A	Nil
8.	Ms. Yael Gairola	Nil	N.A	N.A	Nil
9.	Mr. B G Srinivas*	Nil	N.A	N.A	Nil

*Appointed Additional Independent Directors w.e.f. March 28, 2023.

**The Company has undergone stock-split in the ratio of 1:5 on August 26, 2022.

***The remuneration/sitting fees are being paid to the Board of Directors by the subsidiaries.

Independent Directors are not paid any Sitting Fees except Sitting Fee paid from the subsidiary companies. The Company does not pay any other commission or remuneration to its Director except the remuneration paid to Mr. Pallak Seth, Executive & Non-Independent Director and Mrs. Payel Seth, Non- Executive & Non- Independent Director by the subsidiary Companies. No sitting fees payable to Non-Executive and Non-Independent Directors save and except the Stock Options granted to Non-Executive Director as mentioned in this Report.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company. Mr. Parth Gandhi, Non-Executive and Non-Independent Director has been granted 1,25,000 Stock Options on October 22, 2021 at a grant price of ₹130/-. All necessary approval has been taken by the shareholders in relation to stock options granted to Mr. Parth Gandhi, Non-Executive Non-Independent Director of the Company.

Performance Evaluation of the Board including CEO, Directors and Committees of the Board

The Company has devised Board Evaluation Policy as to carry out annual performance evaluation of the Independent Directors, Board, CEO, Committees and other individual Directors.

As per the Policy, a structured questionnaire was prepared for capturing various facets of the functioning of Board, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were assessed to find out knowledge/skills, contribution to the Board and their communication/relationship with the Board and senior management of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition, meetings and attendance during the year:

During the year under review, 4 (four) Meetings of the Stakeholders' Relationship Committee were held May 16, 2022, August 1, 2022, November 1, 2022 and January 23, 2023. Further, the Committee approved 1 (One) routine business matters through Circular Resolution. The present committee comprises of Mr. Parth Gandhi, Chairman, Mr. Deepak Kumar Seth, Member and Mr. Robert Sinclair, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Parth Gandhi	Chairman	4	4
Mr. Deepak Kumar Seth	Member	4	4
Mr. Robert Sinclair	Member	4	4

Mr. Abhishekh Kanoi, Head of Legal & Company Secretary of the Company is the Compliance Officer. The number of shareholders' complaints received and resolved during the Financial Year 2022-23 is One [Previous Year: Nil].

Terms of reference:

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations. This Committee is responsible for the redressal of shareholder grievances. The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/

transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.



RISK MANAGEMENT COMMITTEE

Composition, meetings and attendance during the year:

During the year under review, 2 (two) Meetings of the Risk Management Committee were held August 31, 2022 and January 23, 2023. The Committee was re-constituted at the Board Meeting held on January 24, 2023. The present committee comprises of Mr. Nishant Parikh, Chairman, Mr. Parth Gandhi, Member, Mr. Deepak Kumar Seth, Member, Mr. Pallak Seth, Member, Mr. Sanjay Jain, Member, Mr. Rahul Ahuja, Member and Mr. Suresh Punjabi, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Deepak Kumar Seth	Member	2	2
Mr. Pallak Seth	Member	2	2
Mr. Sanjay Jain- Group CEO	Member	2	2
Mr. Ashish Gupta- Ex-Group CFO*	Member	2	2
Mr. Rahul Ahuja – Group CFO*	Member	2	NA*
Mr. Suresh Punjabi- Executive Director - Internal Audit, Assurance & Risk Management	Member	2	2
Mr. Nishant Parikh	Chairman	2	2
Mr. Parth Gandhi	Member	2	2

*Mr. Ashish Gupta ceased to be Member & Mr. Rahul Ahuja was appointed as a Member w.e.f. January 24, 2023.

Terms of reference:

The scope and function of the Risk Management Committee is in accordance with Regulation 21 read with Part D of Schedule II to the SEBI Listing Regulations. This Committee is responsible for the Risk Management Framework and measures to mitigate risks. The terms of reference of the Committee of our Company include the following:

- To formulate a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

CORPORATE COMMITTEE

SOCIAL

RESPONSIBILITY

Composition, meetings and attendance during the year:

During the year under review, 1 (One) Meeting of the Corporate Social responsibility Committee was held on May 16, 2022. The present committee comprises of Mr. Mungo Park, Chairman, Mr. Pallak Seth, Member and Mr. Parth Gandhi, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Mungo Park	Chairman	1	1
Mr. Pallak Seth	Member	1	1
Mr. Parth Gandhi	Member	1	1

Terms of reference:

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Act. This Committee is responsible for monitoring the Corporate Social Responsibility activities of the Company. The terms of reference of the Committee of our Company include the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- to recommend the amount of expenditure to be incurred on the CSR activities; and
- to monitor the implementation of the CSR Policy of the Company from time to time.
- To take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company.

GENERAL BODY MEETINGS

Details of the Annual General Meetings held during the preceding 3 (Three) years and Special Resolutions passed there at are given below:

Financial Year	Venue	Date and Time	Mode	Details of Special Resolution Passed
2021-22	Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.	29/07/2022 At 02.30 p.m. (IST)	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")	Not Applicable
2020-21	No. 758 & 759, 2nd Floor, 19th Main, HSR Layout, Sector-II, Bengaluru-560102	30/07/2021 At 11.00 a.m. (IST)	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")	<ul style="list-style-type: none"> Approval for amendments in the terms of the PDS Multinational Fashions Limited - Employee Stock Option Plan 2021. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan A for the Employees of the Company. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan A for the Eligible Employees of the Company's subsidiaries. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan B for the Employees of the Company.



Financial Year	Venue	Date and Time	Mode	Details of Special Resolution Passed
				<ul style="list-style-type: none"> Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan B for the for the Eligible Employees of the Company's subsidiaries. Authorization to the PDS Multinational Fashions ESOP Trust to acquire equity shares of the Company from the secondary market in furtherance of the PDS Multinational Fashions Limited - Employees Stock Option Plan – Plan B. Authorization to the Company to grant a loan to the PDS Multinational Fashions ESOP Trust to acquire equity shares of the Company for implementation of the PDS Multinational Fashions Limited – Employees Stock Option Plan 2021 – Plan B. Approval of the PDS Multinational Fashions Limited - Phantom Stock Units Plan 2021 for the Employees of the Company. Approval of the PDS Multinational Fashions Limited - Phantom Stock Units Plan 2021 for the Eligible Employees of the Company's subsidiaries. Approval to provide Security on creation of Charge, Mortgage, etc. under Section 180(1)(a) of the Companies Act, 2013. Approval for increase in the limits for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate under Section 186 of the Companies Act, 2013.
2019-20	No. 758 & 759, 2nd Floor, 19th Main, HSR Layout, Sector-II, Bengaluru-560102	28/10/2020 At 11.00 a.m. (IST)	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")	None

Details of resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:

During the year under review, pursuant to Section 110 of the Act read with Companies Management and Administration Rules, 2014, the Company passed the following Resolutions by Postal Ballot:

Postal Ballot No. 1

Date of Postal Ballot Notice: November 7, 2022

Date of Declaration of Result: December 22, 2022

Voting Period: November 22, 2022 to December 21, 2022

Date of Approval: December 21, 2022

Sr. No.	Resolutions	Votes cast in favour of the Resolution		Votes cast against the Resolution	
		No.	%	No.	%
1	Approval of the appointment of Mr. Pallak Seth (DIN: 00003040) as an Executive Vice-Chairman of the Company.	8,68,34,307	99.999	70	0.0001

Mr. Mohit Maheshwari (FCS 9565), Practising Company Secretary was appointed as the scrutinizer for carrying out the Postal ballot process in a fair and transparent manner.

Procedure followed for postal ballot 1:

The Company issued the Postal Ballot Notice dated November 7, 2022 containing draft resolutions together with the explanatory statement as required under Section 102 of the Act setting out material facts and the reasons for the Special Resolutions through email to all the Members of the Company whose names appear on the Register of Members/list of Beneficial Owners as received from the Depositories, National Securities Depository Limited / Central Depository Services (India) Limited on the Cut-Off Date i.e. November 18, 2022 and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited for facilitating e-voting to enable the shareholders to cast their votes electronically instead of physical mode due to relaxations issued by the MCA vide various circulars. Further postal ballot notice was also made available on the website of RTA and was sent to the stock exchanges and placed on the website of the Company on the following link www.pdsltd.com ;

E-voting was allowed from November 22, 2022 (9.00 A.M. IST) to December 21, 2022 (5.00 P.M. IST).

The Company also published the Postal Ballot Notice in the newspapers declaring the details and requirements as mandated by the Act and Rules. Further, the newspaper publications of the Postal Ballot Notice was also placed at the Company website www.pdsltd.com

The voting rights were reckoned on the paid-up value of the shares registered in the names of the Members / Beneficial Owner as on Cut-off Date. The results of the Postal Ballot were declared on December 21, 2022 and displayed on the notice board at the registered office of the Company. The date of

receipt of approval i.e. December 21, 2022 of the requisite majority of shareholders by means of e-voting has been taken as the date of passing of the resolutions. The results of the Postal Ballot were published in Newspapers and were also placed at the website of the Company on the following path www.pdsltd.com being communicated to the Stock Exchanges and Registrar and Share Transfer Agent.

MEANS OF COMMUNICATION

The Company recognizes the importance of two way communication with shareholders and of giving a proper reporting of results and progress and responds to questions/ issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year.

- Website: Comprehensive information about the Company, and its business operations and investors information can be viewed at the Company website viz. www.pdsltd.com.
- Financial Result: The quarterly, half-yearly and annual financial results are regularly posted by the Company on its website. These are also submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations and is generally published in one English daily newspaper viz. Economic Times & Business Standard-all India Edition and in one Marathi (Regional Language) newspaper viz, Mumbai Lakshadweep within 48 hours of approval thereof.
- Annual Report: Annual Report containing inter alia Audited Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereof.
- Corporate Filing: Announcements, Quarterly Results, Shareholding Pattern, Analyst Presentations, etc. of the Company is regularly filed by the Company with National Stock Exchange of India Limited and BSE Limited and is also available on the website of the Company.



GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	
- Day	Monday
- Date	July 31, 2023
- Time	02:30 p.m. (IST)
- Mode	Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai 400093, Maharashtra, India.
- Venue	
Financial year	April 1, 2022 to March 31, 2023
Date of Book Closure	July 25, 2023 to July 31, 2023 (both days inclusive)
Dividend Payment Date (subject to approval of shareholders)	By August 29, 2023
Financial Results Calendar:	(Tentative Schedule, subject to change)
- First Quarter results by	On or before August 14, 2023
- Second Quarter results by	On or before November 14, 2023
- Third Quarter results by	On or before February 14, 2024
- Fourth Quarter results by	On or before May 30, 2024
Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051. BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
Stock Code	NSE – PDSL BSE – 538730
Corporate Identification Number (CIN)	L18101MH2011PLC388088
ISIN for Equity Shares	INE111Q01021

Note: Annual Listing Fees for the year 2023-24 has been paid to NSE and BSE.

Stock Market Price Data:

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the year 2022-23 are as follows:

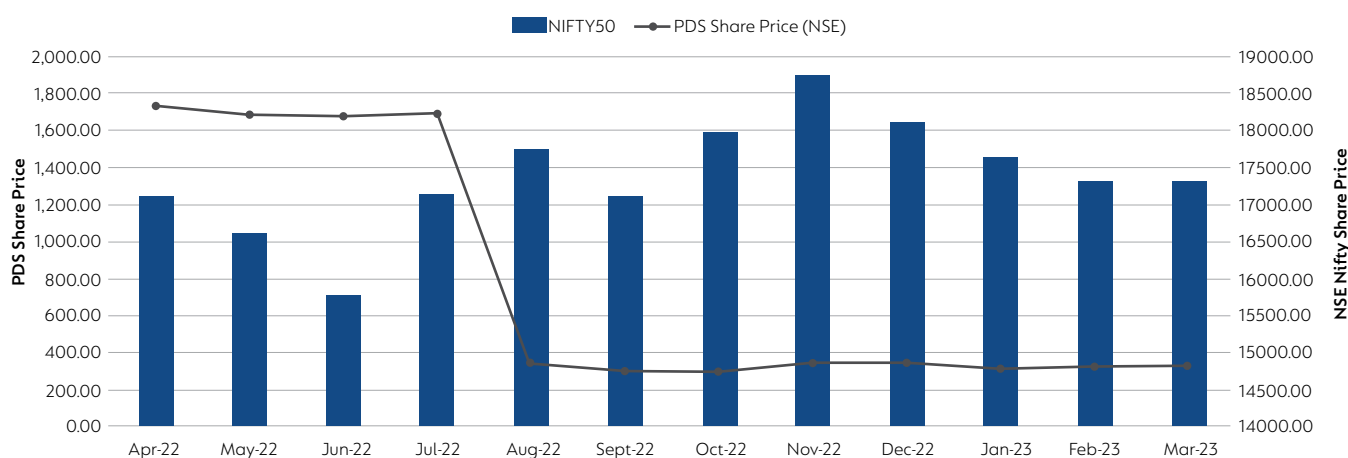
Month	BSE				NSE			
	PDSL		SENSEX		PDSL		NIFTY	
	High Price	Low Price	High	Low	High Price	Low Price	High	Low
Apr-22	1860.00	1660.10	60845.10	56009.07	2041.30	1606.55	18114.65	16824.70
May-22	1849.95	1535.95	57184.21	52632.48	1890.45	1540.00	17132.85	15735.75
Jun-22	1800.00	1500.00	56432.65	50921.22	1799.00	1535.00	16793.85	15183.40
Jul-22	1839.00	1637.00	57619.27	52094.25	1859.90	1640.00	17172.80	15511.05
Aug-22	1863.10	320.55	60411.20	57367.47	1859.50	323.15	17992.20	17154.80
Sep-22	343.05	295.00	60676.12	56147.23	340.00	296.35	18096.15	16747.70
Oct-22	317.30	282.00	60786.70	56683.40	319.85	280.00	18022.80	16855.55
Nov-22	382.35	299.70	63303.01	60425.47	384.40	299.90	18816.05	17959.20
Dec-22	378.60	315.00	63583.07	59754.10	379.95	315.00	18887.60	17774.25
Jan-23	373.50	301.40	61343.96	58699.20	363.60	306.25	18251.95	17405.55
Feb-23	352.65	300.05	61682.25	58795.97	352.30	299.60	18134.75	17255.20
Mar-23	358.80	323.95	60498.48	57084.91	359.00	323.80	17799.95	16828.35

Note: The Company has undergone stock split in the ratio of 1:5 w.e.f. August 26, 2022

Source: This information is compiled from the data available from the website of BSE and NSE

Share Price Performance in comparison to NSE Nifty for FY 2022-23

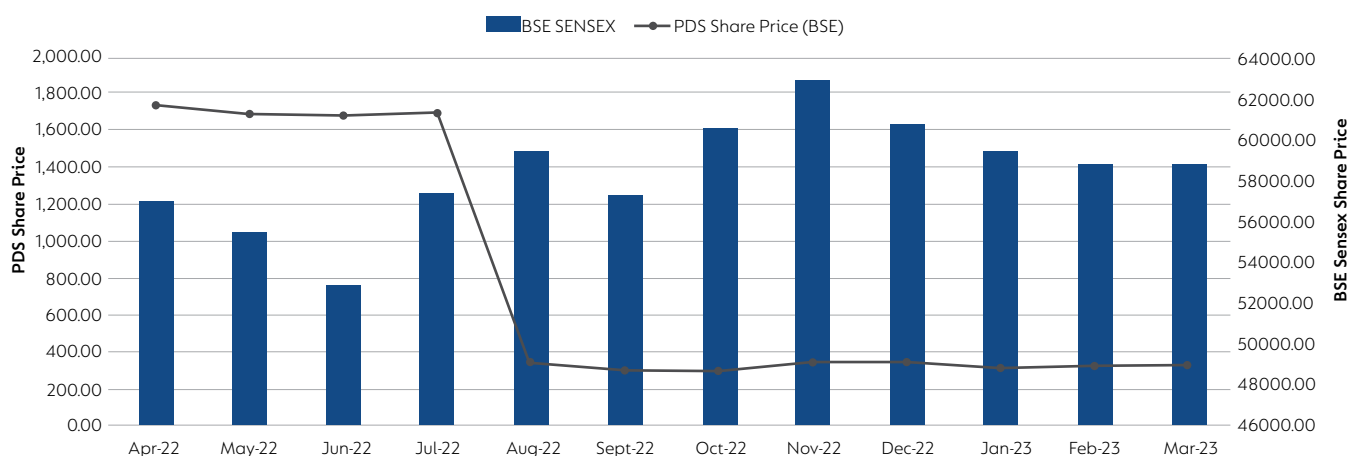
The performance of your Company's shares relative to the NSE Nifty 50 Index is given in the chart below:



Note: The Company has undergone Stock split in the ratio of 1:5 w.e.f August 26, 2022

Share Price Performance in comparison to BSE SENSEX for FY 2022-23

The performance of your Company's shares relative to the S&P BSE 500 index is given in the chart below:



Note: The Company has undergone Stock split in the ratio of 1:5 w.e.f August 26, 2022

Registrars and Share Transfer Agent (RTA)

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri
Market Janakpuri, New Delhi-110058
Tel. No. : 011 - 41410592 - 94
Fax No. : 011 - 41410591
E-mail : delhi@linkintime.co.in

Shareholders are advised to send all correspondence related to equity shares of the Company to the RTA. However, for the convenience of the shareholders documents relating to shares received by the Company are forwarded to the RTA for necessary action thereon.

Investor services

All share related services to the Company's investors are being provided by Link Intime India Pvt Ltd ("**Link Intime**").

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given to Link Intime. Address for correspondence with the Company Link Intime is mentioned above. Members who hold shares in dematerialised form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, updation of change of address, updation of bank details for electronic credit of dividend, nonreceipt of annual reports or on matters relating to the working of the Company should be addressed to the Company's RTA viz. Link Intime. Members who hold shares in physical form should also address their requests to the Company's RTA viz. Link Intime, for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewal/ split/ consolidation of share certificates, issue of duplicate share certificates and such requests should be signed by the first named member, as per the specimen signature



registered with the Company. The RTA/Company may also, with a view to safeguard the interest of its members and that of the Company, request for additional supporting documents such as proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN cards. Members are requested to state their DPID & Client ID/ Ledger Folio number in their correspondence with the Company and provide their email address and telephone number to facilitate prompt response from the RTA/ Company. Members may please note that with effect from April 1, 2019, shares held in physical form cannot be transferred. Members in their own interest are requested to have their physical holdings dematerialised through a Depository Participant by opening a demat account.

Share Transfer System

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to Company Secretary of the Company. The Company obtains from a Company Secretary in Practice yearly certificate of compliance with the share transfer formalities, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the certificate with Stock Exchanges.

Nomination facility for shareholding

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of the transferor(s), transferee(s), surviving joint holders/legal heirs be submitted to the Company while obtaining the services of transfer, transposition,

transmission and issue of duplicate share certificates.

Updation of PAN, KYC and Nomination details

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/ CIR/2021/655 dated 3rd November, 2021 has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details. The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Shareholders holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).

SEBI further vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has also provided for mandatory furnishing of PAN, KYC details, nomination, freezing of folios without valid PAN, KYC details, compulsory linking of PAN and Aadhar by shareholders holding securities in physical form. Non-availability of any one of the cited document/detail with the Company / RTA on or after April 1, 2023 will result in freezing of the folios by the RTA of the Company as per the said SEBI circular and such shareholders will not be eligible to lodge grievance, or avail service request from the RTA and also not eligible for payment of dividend unless complete documents are provided. Accordingly, such shareholders are requested to submit the requisite information / documents at the earliest with the RTA of the Company. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at www.pdslttd.com

Reconciliation of Share Capital Audit

A Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and held in physical mode with the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Shareholding as on March 31, 2023

i. Distribution of shareholding as on March 31, 2023

Shares Range			No. of Shareholders	Percentage of Shareholders	Number of Shares	% of Total Share Capital
From	-	To				
1	-	500	18,075	85.69	23,73,864	1.81
501	-	1000	1,715	8.13	13,10,228	1.00
1001	-	2000	676	3.21	10,00,586	0.76
2001	-	3000	206	0.98	5,40,362	0.41
3001	-	4000	104	0.49	3,69,311	0.28
4001	-	5000	61	0.29	2,87,328	0.22
5001	-	10000	77	0.36	5,67,788	0.43
10001	&	above	179	0.85	12,44,78,253	95.07
Total			21,093	100.00	13,09,27,720	100.00

ii. Category of Shareholding as on March 31, 2023-

Category	No. of Shareholders	No. of Shares Held of face Value ₹2/- each			%age of Shareholding
		Demat	Physical	Total	
PROMOTERS & PROMOTER GROUP					
Indian	1	180	0	180	0.00
Body Corporate	2	2,50,175	0	2,50,175	0.19
Foreign	4	8,65,49,075	0	8,65,49,075	66.10
TOTAL (A)	7	8,67,99,430	0	8,67,99,430	66.29
PUBLIC					
Alternate Investment Funds	3	7,75,765	0	7,75,765	0.59
Foreign Portfolio Investors Category I	8	45,06,094	0	45,06,094	3.44
Foreign Portfolio Investors Category II	3	62,545	0	62,545	0.05
Financial Institutions/Banks	2	395	395	790	0.00
State Government / Governor	1	4,562	0	4,562	0.00
Directors and their relatives (excluding Independent Directors and nominee Directors)	1	35,635	0	35,635	0.03
Key Managerial Personnel	1	3,25,500	0	3,25,500	0.25
Resident Individuals	19,249	2,78,26,482	4,04,820	2,82,31,302	21.56
Non Resident Indians (NRIs)	625	11,86,845	69,470	12,56,315	0.96
Bodies Corporate	132	69,32,599	1,190	69,33,789	5.30
Trust	1	15,525	0	15,525	0.01
Bodies Corporate – LLPs	27	6,03,045	0	6,03,045	0.46
Hindu Undivided Family	580	9,60,770	0	9,60,770	0.73
Unclaimed Shares	2	2,82,630	0	2,82,630	0.22
Clearing Members	12	1,798	0	1,798	0.00
TOTAL (B)	20,647	4,35,20,190	4,75,875	4,39,96,065	33.60
NON PROMOTER - NON PUBLIC					
Shares held by Employee Trust	1	1,32,225	0	1,32,225	0.10
TOTAL (C)	1	1,32,225	0	1,32,225	0.10
TOTAL (A)+(B)+(C)	20,655	13,04,51,845	4,75,875	13,09,27,720	100.00

Dematerialization of shares

The Company's shares are tradable compulsorily in the electronic form. Through Link Intime, RTA, we have established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE111Q01021.

As on March 31, 2023, 99.64% of our shares were held in dematerialized form and the rest in physical form.

Shares held in demat and physical modes as on March 31, 2023 are as follows:

Category	Shareholders	Shares	% of total equity
Demat Mode			
NSDL	10,181	11,88,33,012	90.77%
CDSL	9,970	1,16,18,833	8.87%
Total	20,151	13,04,51,845	99.64%
Physical Mode			
	942	4,75,875	0.36%
Grand total	21,093	13,09,27,720	100.00%

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

Not Applicable, since, the Company has not issued any GDRs/ADRs/Warrants etc.

**Plant locations:**

Not Applicable, since the Company doesn't have plant at any location as on March 31, 2023. However, the Company owned 4(Four) manufacturing plants through its subsidiaries in Bangladesh and Sri Lanka. The details of the same are captured in Business Responsibility and Sustainability Report forming part of this Report.

Subsidiary Company / Associate / Consortium

During the year under review, your Company has 5 (five) material unlisted subsidiaries, namely, Multinational Textile Group Limited in Mauritius, Norwest Industries Limited, Simple Approach Limited and Poeticgem International Limited in Hong Kong and Poeticgem Limited in United Kingdom. Accordingly, the requirement of appointing an Independent Director of the Company on the Board of Directors of the two material unlisted subsidiary company calculated as per Regulation 24 of the SEBI Listing Regulations has been complied with during the year. As on March 31, 2023, following independent directors of the Company are also on board of unlisted material subsidiaries of the Company;

1. Multinational Textile Group Limited – Mr. Nishant Parikh
2. Norwest Industries Limited – Ms. Yael Gairola

The Audit Committee and Board reviews the financial statements, material significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board.

The policy for determining material subsidiaries is available on your Company's website viz. www.pdsltd.com.

Details of Material Subsidiaries of the Company:

Sl. No.	Name of the Material Subsidiary	Place of Incorporation	Date of Appointment of the Statutory Auditor
1	Multinational Textile Group Limited	Mauritius	May 11, 2022
2	Norwest Industries Limited	Hong Kong	May 11, 2022
3	Poeticgem International Limited	Hong Kong	August 15, 2022
4	Simple Approach Limited	Hong Kong	September 29, 2022
5	Poeticgem Limited	United Kingdom	May 11, 2022

Address for Correspondence

Unit No. 971, Solitaire Corporate Park,
Andheri-Ghatkopar Link Road, Andheri East-93,
Mumbai, Maharashtra, India
E-mail: investors@psltd.com

Credit Ratings Obtained by the Entity

List of all credit ratings obtained by the Company along with any revisions thereto during the financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad - **Not Applicable**.

DISCLOSURES**Related Party Transactions**

The Company did not enter into any material significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed under Note no. 33 to the standalone financial statements in the Annual Report. Further,

the details of the policy are also posted on the website of the Company viz. www.pdsltd.com.

Disclosure of Commodity Price Risk and Commodity Hedging Activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk. The Company has no foreign exchange receivable and payable as on March 31, 2023.

Penalties or Strictures

During the period under review, the Stock Exchanges had issued a notice to the Company regarding non-compliance of the Regulation 19(1)(c) of the SEBI Listing Regulations w.r.t composition of the Nomination and Remuneration Committee. The Company has duly rectified the said non-compliance and paid the penalties to both the Stock Exchanges.

Code of Conduct for Prevention of Insider Trading

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished

price sensitive information. All Designated Persons (including Directors, Key Managerial Personnel and employees) of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. The Code is also available at the website of the Company at www.pdsltd.com. There were certain violations of the Code by the Designated Persons which were duly intimated to Audit Committee and then to Stock Exchanges in prescribed format by the Compliance Officer.

Vigil Mechanism/Whistle Blower Policy

The Whistle Blower Mechanism (Vigil Mechanism) in the Company enables all the Directors, employees and its stakeholders, to report concerns about unethical behaviour, report for leakage of Unpublished Price Sensitive Information (UPSI), actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company also has hosted on its website at www.pdsltd.com, Navex Hotline for its stakeholders for online reporting of any unethical behavior, leakage of UPSI etc. This mechanism has provided adequate safeguards against victimization of Directors/ employees of the Company who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. No personnel have been denied access to this mechanism and to the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at www.pdsltd.com.

Certificate on Corporate Governance

The Company has complied with all mandatory requirements of corporate governance norms as required under the SEBI Listing Regulations. The Company is also in compliance with the requirements stipulated under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and amendments thereto, as applicable, with regard to the Corporate Governance.

A Compliance Certificate from MAK & Co., Practicing Company Secretary, pursuant to the requirement of Schedule V to the SEBI Listing Regulations regarding compliance of the conditions of Corporate Governance is annexed.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the SEBI / MCA or any such statutory authority from being appointed or continuing as Directors of Companies. MAK & Co., Practicing Company Secretary, has submitted a certificate to this effect and is attached here with this Report.

Total Fees Paid to Statutory Auditors

For the financial year under review, the Company has paid a consolidated sum of ₹ 65.27 Lakhs to M/s Walker Chandiok & Co LLP, the statutory Auditor and all its entities.

	By Company	By Subsidiaries	Total
Statutory Audit Fees	57.20	7.00	64.20
Tax Audit Fees	1.10	0.80	1.90
Out of pocket Expenses	6.97	-	6.97
Total	65.27	7.80	73.07

(₹ in Lakhs)

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V(c) of the SEBI Listing Regulations - except 4(b) during the year.

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

In terms of the Schedule V of the SEBI Listing Regulation, the details of unclaimed shares lying in suspense account which were issued to the Shareholders of the Pearl Global Industries Limited in pursuant to Scheme of Arrangement approved by the Hon'ble High Court of Delhi and in name of PDS Limited are given below:

Particulars	No. of cases	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2022.	533	2,83,420
Number of shareholders who approached to the Issuer / Registrar for transfer of shares from suspense account during the FY 2022-23.	2	790
Number of shareholders to whom shares were transferred from suspense account during the FY 2022-23.	2	790
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2023.	531	2,82,630



The voting rights on the shares in the suspense account as on March 31, 2023 shall remain frozen till the rightful owners of such shares claim the shares. The Company sends periodic reminders to the concerned shareholders advising them to lodge their claims with respect to unclaimed shares.

Further, the complete details of unclaimed shares lying in the suspense account has been uploaded on Company's website www.pdsLtd.com.

Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund:

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as 'IEPF Rules') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund

(IEPF) maintained by the Central Government. In pursuance of this, the Sale proceeds of fractional shares arising out of demerger, an amount of ₹ 113,894.78 was transferred to IEPF on February 16, 2023. The details of the unclaimed amount so transferred are available on the Company's website at www.pdsLtd.com and on the website of MCA at <https://www.iepf.gov.in>.

Details of Unclaimed Dividend:

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that companies transfer dividend that has remained unclaimed / unencashed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF. The following table provides list of year for which unclaimed dividends and their corresponding shares outstanding as on March 31, 2023:

Type of Dividend	Face Value	Dividend per share	Date of declaration	Due date for Transfer	Amount (₹)
Final Dividend (2021-22)	₹10/-	₹23.85/-	July 29, 2022	October 2, 2029	62,24,06,867.40
Interim Dividend	₹2/-	₹2.50/-	November 7, 2022	January 9, 2030	32,62,09,050.00

Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at www.pdsLtd.com

Reminders are, inter alia, sent to Shareholders for registering their PAN, KYC & Nomination detail and unclaimed dividend and transfer of shares thereto.

Details of Utilization of Fund:

During the year your Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) the SEBI Listing Regulations.

Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the Company has not received any complaint at workplace.

Disclosure by the Company and its Subsidiaries of "Loans and Advances in the nature of loans to firms/ companies in which directors are interested by name and amount":

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

Internal control system and their adequacy

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements.

The Audit Committee of the Board periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management.

Disclosure of Accounting Treatment

The Company has prepared its Standalone & Consolidated Financial Statements in accordance with Indian Accounting Standards as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Loans and advances given by the Company and its Subsidiaries in the nature of loans to firms/companies in which directors are interested, as referred in the Financial Statements annexed to this Report.

The Company has inter-alia complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Corporate Governance Report of the Company for the Financial Year 2022-23 or as on March 31, 2023 are in compliance with all applicable requirements of SEBI Listing Regulations.

Details of Compliance with Mandatory requirements and adoption of Non-mandatory/ discretion requirements

The Company has complied with all the mandatory requirement of the SEBI Listing Regulations, which is being reviewed by the Board from time to time.

The status of adoption of the non-mandatory requirements pursuant to Regulation 27(1) read with Part E of Schedule II to the SEBI Listing Regulations is as under:

a. Board and Separate post of Chairman of the Board and Chief Executive Officer (CEO)

The position of the Chairman of the Board of Directors and that of the Managing Director and the Chief Executive Officer are separate. Mr. Deepak Kumar Seth is the Chairman of the Company and Mr. Sanjay Jain is Group CEO of the Company. Mr. Sanjay Jain is not related to promoter and promoter group.

b. Shareholders Rights

Your Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading 'Means of Communication'.

c. Audit Qualifications

During the year under review, there is no audit qualification in your Company's Financial Statements nor has there been a matter of emphasis made during the year.

d. Reporting of Internal Auditor

The Internal Auditor of the Company reports to the Chairman of the Audit Committee and has direct access to the Audit Committee.

Executive Vice Chairman, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

The CEO & CFO of the Company give annual certificate on financial reports and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations, and the said certificate is forming part of this Annual Report. The Executive Vice Chairman, CEO and CFO issued a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.



Annexure to Report on Corporate Governance

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2023.

Date: May 11, 2023

Sanjay Jain
Chief Executive Officer

Annexure to Report on Corporate Governance

CERTIFICATION BY EXECUTIVE VICE CHAIRMAN, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

[Compliance Certificate under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

PDS Limited

(Formerly PDS Multinational Fashions Limited)

We, Pallak Seth, Executive Vice Chairman, Sanjay Jain, Chief Executive Officer and Rahul, Chief Financial Officer of PDS Limited (Formerly PDS Multinational Fashions Limited), to the best of our knowledge and belief, certify that;

- A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2023 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 the existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 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 we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
- (1) there has not been any significant change in internal control over financial reporting during the year under reference;
 - (2) there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (3) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

Date: May 11, 2023

(Pallak Seth)
Executive Vice Chairman

(Sanjay Jain)
Chief Executive Officer

(Rahul Ahuja)
Chief Financial Officer



Annexure to Report on Corporate Governance

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,

PDS Limited

(Formerly PDS Multinational Fashions Limited)

Unit No.971, Solitaire Corporate Park, Andheri

Ghatkopar Link Road, Andheri (East), Mumbai,

Maharashtra—400093, India

[L18101MH2011PLC388088]

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the **PDS Limited** (Formerly PDS Multinational Fashions Limited) having its registered office at Unit No.971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (East), Mumbai, Maharashtra—400093, India (“the Company”) Company 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 Sub clause 10 (i) of the Securities 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 of Ministry of Corporate Affairs (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 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 as applicable.

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Deepak Kumar Seth	00003021	06/04/2011
2	Mr. Pallak Seth	00003040	06/04/2011
3	Mrs. Payel Seth	00003035	06/04/2011
4	Mr. Parth Dasharath Gandhi	01658253	27/05/2021
5	Mr. Mungo Park	09390792	09/11/2021
6	Mr. Robert Lloyd Sinclair	09390821	09/11/2021
7	Mr. Nishant Parikh Ravindra	07349640	08/12/2021
8	Ms. Yael Gairola	08434509	08/12/2021
9	Mr. B.G. Srinivas	00517585	28/03/2023

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

For M/s. MAKS & Co.,

Company Secretaries

[FRN P2018UP067700]

Ankush Agarwal

Partner

Membership No.: F9719

COP No.: 14486

Peer View No.: 2064/2022

UDIN: F009719E000415399

Place: Noida, UP

Date: May 29, 2023

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members

PDS Limited

(Formerly PDS Multinational Fashions Limited)

We have examined the compliance of conditions of Corporate Governance by PDS Limited (Formerly PDS Multinational Fashions Limited) ("the Company"), for the financial year ended March 31, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") pursuant to the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance as stipulated under the SEBI LODR Regulations is the responsibility of the management of the Company including the preparation and maintenance of all the relevant records and documents. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI LODR Regulations for the year ended on March 31, 2023 except as follows:

- a. Stock Exchanges ('NSE' & 'BSE') had issued notice to the Company regarding non-compliance of the Regulation 19(1)(c) of the SEBI LODR Regulations w.r.t composition of the Nomination and Remuneration Committee of the Board for the period commencing from November 7, 2022 to January 24, 2023. The Company has duly rectified the said non-compliance on January 24, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. MAKS & Co.,

Company Secretaries

[FRN P2018UP067700]

Ankush Agarwal

Partner

Membership No.: F9719

Certificate of Practice No:14486

Peer View No.: 2064/2022

UDIN: F009719E000415333

Place: Noida, UP

Date: May 29, 2023



Annexure to Report on Corporate Governance

PDS LIMITED

(Formerly PDS Multinational Fashions Limited)

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and evaluate Skills and Expertise of Director including Independent Director.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- a. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- b. Board means Board of Directors of the Company.
- c. Directors mean Directors of the Company.
- d. Key Managerial Personnel means
 - Chief Executive Officer or the Managing Director or the Manager;

- Chief Financial Officer;
- Company Secretary; and
- such other officer as may be prescribed

- e. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors.

3. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

a. Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director (including Independent Director), KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b. Term / Tenure

- Managing Director/Whole-time Director:
 - The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

- Independent Director:
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

d. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

e. Retirement

The KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP,

Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4. POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

a. General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee or as per policies framed by the committee. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

• Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board or the Committee.

• Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company



shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

- **Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c. Remuneration to Non- Executive / Independent Director:

- **Sitting Fees:**

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

5. MEMBERSHIP

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Board may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.

- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee; and
- Considering any other matters, as may be requested by the Board.

12. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed

and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company.

- to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board.

Succession Plan for Board of Directors, Key Managerial Personnel and Senior Managerial Personnel

1. The appointment, re-appointment or removal of Board, KMPs and Senior Management shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.
2. The Committee shall periodically review and consider the list of Senior Management due for retirement or resignation within the year.
3. For a temporary change in senior leadership (due to illness or leave of absence for long time), the immediate junior officer, reporting to such official, shall take charge in place of his/her senior until the senior official re-joins the office or if he/she is not competent in the view of the Chairperson and Managing Director or the Committee.
4. The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy(ies) adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.



Annexure-7

Business Responsibility & Sustainability Report

SECTION A

GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L18101MH2011PLC388088
2.	Name of the Entity	PDS Limited ["PDS"] (Formerly PDS Multinational Fashions Limited)
3.	Year of Incorporation	06/04/2011
4.	Registered office address	Unit No. 971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri East, Mumbai – 400093, Maharashtra, India.
5.	Corporate address	Unit No. 971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri East, Mumbai – 400093, Maharashtra, India.
6.	Email	investors@pdsLtd.com
7.	Telephone	+91-22- 41441100
8.	Website	www.pdsLtd.com
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	₹ 2,618.55 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Abhishekh Kanoi, Head of Legal and Company Secretary investors@pdsLtd.com +91-22- 41441100
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	This Report is made on a consolidated basis and it includes PDS's facilities & offices located in India and overseas. For more details, please refer Section V(8)(a).

II. Products/Services

1. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity (FY 2022-23)
1.	Sourcing	PDS provides in-house product development, design, sampling, and manufacturing through third party factories along with quality assurance, compliance and supply chain management to brands and retailers.	96

2. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Turnover of the Entity (FY 2022-23)
1.	Wholesale trade, except of motor vehicles and motorcycles	NIC Code: 46	96

III. Operations

3. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	5	5
International	4	61	65

PDS is a global business to business ("B2B") fashion infrastructure Company providing customized solutions across the fashion value chain. Over the years, PDS has spread its footprint to over 22 countries catering to markets like UK, Europe, USA, Vietnam and Australia, amongst others. PDS along with its subsidiaries operates 4 (four) manufacturing facilities with 2 (two) manufacturing facilities in Bangladesh, and 1 (one) manufacturing unit and 1 (one) cutting plant in Sri Lanka. PDS along with its subsidiaries has 65 offices which include corporate offices and design studios across geographies.

4. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 states & 8 Union Territories
International (No. of Countries)	Across 45 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In FY 2022-23, 85% of PDS's standalone turnover was from exports out of India.

c. A brief on types of customers

PDS mainly operates on a global B2B business model. PDS provides customized solutions including manufacturing, design-led sourcing, sourcing as a service, and brand management, to retailers and brands across the globe.

PDS has a well-diversified base of over 200 marquee customers across geographies including UK, Europe, North America, Asia and Middle East.

IV. Employees

5. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	3,917	3,022	77%	895	23%
	Senior Management	199	159	80%	40	20%
	Middle Management	379	302	80%	77	20%
	Junior Management	3,339	2,561	77%	778	23%
2.	Other than Permanent (E)	65	30	46%	35	54%
	Senior Management	10	6	60%	4	40%
	Middle Management	8	8	100%	0	-
	Junior Management	47	16	34%	31	66%
3.	Total Employees (D + E)	3,982	3,052	77%	930	23%
WORKERS						
1.	Permanent (D)	6,146	1,233	20%	4,913	80%
2.	Other than Permanent (E)	5	5	100%	0	-
3.	Total Workers (D + E)	6,151	1,238	20%	4,913	80%



b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3,917	0	-	3	0.1%
2.	Other than Permanent (E)	65	0	-	0	-
3.	Total differently abled employees (D + E)	3,982	0	-	3	0.1%
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	6,146	4	0.1%	3	0.1%
2.	Other than Permanent (G)	5	0	-	0	-
3.	Total differently abled employees (F + G)	6,151	4	0.1%	3	0.1%

6. Participation/Inclusion/Representation of women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22%
Key Management Personnel (KMP)	3	0	-

7. Turnover rate for permanent employees and workers

Category	FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total
Permanent Employees	27%	25%	26%	27%	21%	26%
Permanent Workers	57%	56%	56%	53%	58%	57%

Note: The above data is calculated for PDS's offices and manufacturing units.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

8. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of Entity	Relationship	% of ownership	does the entity participate in the BR initiatives of the listed entity*
1	360 Notch Limited	Subsidiary	100%	No
2	Apex Black Limited	Subsidiary	65%	No
3	Blueprint Design Limited	Subsidiary	100%	No
4	Brand Collective Corporation Limited	Subsidiary	100%	Yes
5	Brand Collective Limited (formerly PDS H2GO Glove Manufacturing Limited)	Subsidiary	55%	No
6	Casa Collective Limited	Subsidiary	75%	Yes
7	Casa Collective Sourcing Limited	Subsidiary	75%	No
8	Casa Forma Limited	Subsidiary	100%	No
9	Clover Collections FZCO	Subsidiary	75%	Yes
10	Clover Collections Limited	Subsidiary	100%	Yes
11	Collaborative Sourcing Services FZCO	Subsidiary	100%	Yes
12	DBS Lifestyle India Private Limited	Subsidiary	51%	Yes
13	Design Arc Asia Limited	Subsidiary	100%	Yes
14	Design Arc Brands Limited	Subsidiary	85%	No
15	Design Arc Europe Limited	Subsidiary	70%	No
16	Design Arc Europe SPA	Subsidiary	70%	No
17	Design Arc FZCO	Subsidiary	75%	No
18	Design Arc UK Limited	Subsidiary	85%	Yes
19	DIZBI Private Limited	Subsidiary	100%	No
20	Fareast Vogue Limited	Subsidiary	60%	Yes
21	F. X. Import Company Limited	Subsidiary	100%	No

S. No.	Name of Entity	Relationship	% of ownership	does the entity participate in the BR initiatives of the listed entity*
22	Green Apparel Industries Limited	Subsidiary	75%	No
23	Green Smart Shirts Limited	Subsidiary	75%	Yes
24	Grupo Sourcing Limited, Hong Kong	Subsidiary	51%	No
25	Grupo Sourcing Limited, Bangladesh	Subsidiary	51%	Yes
26	Jcraft Array Limited	Subsidiary	85%	No
27	JJ Star Industrial Limited	Subsidiary	57.50%	No
28	Kindred Brands Limited	Subsidiary	57.50%	No
29	Kindred Fashion Limited	Subsidiary	100%	No
30	Kleider Sourcing Limited, Bangladesh	Subsidiary	51%	Yes
31	Kleider Sourcing FZCO	Subsidiary	41%	Yes
32	Kleider Sourcing Hong Kong Limited	Subsidiary	51%	Yes
33	Krayons Sourcing Limited	Subsidiary	75%	Yes
34	LillyandSid Ltd	Subsidiary	55%	Yes
35	Lily and Lionel London Limited	Subsidiary	85%	No
36	Infinity Fashion FZCO	Subsidiary	75%	No
37	Multinational OSG Services Bangladesh Limited	Subsidiary	99.97%	Yes
38	Multinational Textile Group Limited	Subsidiary	100%	No
39	Nor Lanka Manufacturing Colombo Limited	Subsidiary	100%	Yes
40	Nor Lanka Manufacturing Limited	Subsidiary	90%	Yes
41	Norlanka Brands Private Limited	Subsidiary	100%	Yes
42	Norlanka Progress (Private) Ltd	Subsidiary	100%	No
43	Norwest Industries Limited	Subsidiary	100%	Yes
44	Pacific Logistics Limited	Subsidiary	100%	No
45	PDS Far-east Limited	Subsidiary	100%	Yes
46	PDS Asia Star Corporation Limited	Subsidiary	60%	Yes
47	PDS Brands Manufacturing Limited (formerly known as 6Degree Manufacturing Limited)	Subsidiary	100%	Yes
48	PDS Brands Manufacturing FZCO	Subsidiary	100%	No
49	PDS Brands Private Limited	Subsidiary	100%	No
50	PDS Design Services Limited	Subsidiary	100%	No
51	PDS Far East USA, Inc.	Subsidiary	100%	Yes
52	PDS Fashion USA Limited (formerly known as Pro Trusted Med Tech Limited)	Subsidiary	100%	Yes
53	PDS Fashions Hong Kong Limited	Subsidiary	100%	No
54	PDS Fashions Limited	Subsidiary	100%	Yes
55	PDS Global Investments Limited	Subsidiary	100%	No
56	PDS Global Procurement Service FZCO	Subsidiary	100%	No
57	PDS Lifestyle Limited	Subsidiary	100%	No
58	PDS Logistics FZCO	Subsidiary	51%	No
59	PDS Manufacturing Limited	Subsidiary	100%	No
60	PDS Multinational FZCO	Subsidiary	100%	Yes
61	PDS Smart Fabric Tech Limited (formerly known as Funky Brands Company Limited)	Subsidiary	100%	No
62	PDS Smart Fabric Tech (UK) Limited	Subsidiary	100%	No
63	PDS Sourcing FZCO	Subsidiary	100%	No
64	PDS Sourcing Hong Kong Limited	Subsidiary	100%	No
65	PDS Sourcing Limited	Subsidiary	100%	No
66	PDS Tailoring Limited	Subsidiary	70%	No
67	PDS Trading (Shanghai) Company Limited	Subsidiary	60%	Yes
68	PDS Ventures Limited (formerly Smart Notch Industrial Limited)	Subsidiary	100%	No
69	PDS Ventures Limited	Subsidiary	100%	No
70	PG Capital F.Z.E.	Subsidiary	100%	No
71	PG Group Limited	Subsidiary	51%	Yes
72	PG Group SPA	Subsidiary	51%	No
73	PG Home Group Limited	Subsidiary	45.90%	Yes



S. No.	Name of Entity	Relationship	% of ownership	does the entity participate in the BR initiatives of the listed entity*
74	PG Home Group SPA	Subsidiary	45.90%	No
75	PG Shanghai Manufacturer Co. Limited	Subsidiary	51%	Yes
76	Poetic Brands Limited	Subsidiary	60%	Yes
77	Poetic Knitwear Limited	Subsidiary	100%	No
78	Poeticgem International FZCO	Subsidiary	65%	No
79	Poeticgem International Limited	Subsidiary	100%	Yes
80	Poeticgem Limited	Subsidiary	100%	Yes
81	Progress Apparels (Bangladesh) Limited	Subsidiary	100%	Yes
82	Progress Manufacturing Group Limited	Subsidiary	100%	No
83	Recovered Clothing Limited	Subsidiary	60%	Yes
84	Rising Asia Star Hong Kong Co., Limited	Subsidiary	100%	Yes
85	S.O.T Garments India Pvt Limited	Subsidiary	99.99%	Yes
86	s.Oliver Fashion India Private Limited	Subsidiary	99.99%	No
87	Simple Approach (Canada) Limited	Subsidiary	85%	No
88	Simple Approach Bangladesh Private Limited	Subsidiary	85%	No
89	Simple Approach Limited	Subsidiary	85%	Yes
90	SKOPE Apparels FZCO	Subsidiary	75%	No
91	Smart Notch Limited, Shanghai	Subsidiary	100%	Yes
92	Sourcing Solutions Limited	Subsidiary	100%	Yes
93	Spring Design London Limited	Subsidiary	100%	No
94	Spring Near East FZCO	Subsidiary	55%	Yes
95	Spring Near East Manufacturing Company Limited	Subsidiary	65%	Yes
96	Styleberry Limited	Subsidiary	100%	Yes
97	Sunny Up Limited	Subsidiary	60%	Yes
98	Suri Overseas Private Limited	Subsidiary	51%	No
99	Techno Design GmbH	Subsidiary	55%	Yes
100	Techno Design HK Limited	Subsidiary	55%	Yes
101	Techno Design USA LLC	Subsidiary	55%	No
102	Techno Sourcing BD Limited	Subsidiary	49%	Yes
103	Technocian Fashions Private Limited	Subsidiary	55%	Yes
104	Twins Asia FZCO	Subsidiary	75%	Yes
105	Twins Asia Limited	Subsidiary	100%	Yes
106	Upcycle Labs Limited	Subsidiary	61%	Yes
107	Zamira Fashion Limited	Subsidiary	67%	Yes
108	Zamira Fashion Limited, Zhongshan	Subsidiary	67%	No
109	Redwood Internet Ventures Limited	Joint ventures	50%	No
110	Digital Internet Technologies Limited	Joint ventures	50%	No
111	Digital Ecom Techno Private Limited	Joint ventures	42.14%	Yes
112	Yellow Octopus EU Sp. z.oo (Company)	Joint ventures	50%	Yes
113	Yellow Octopus EU spółka z ograniczoną odpowiedzialnością spółka komandytowa (LLP)	Joint ventures	50%	No
114	One Stop Shop Solutions EU Sp. z.oo (Company)	Joint ventures	50%	No
115	Yellow Octopus Ventures FZCO	Joint ventures	50%	No
116	One Stop Shop Solutions spółka z ograniczoną odpowiedzialnością spółka komandytowa (LLP)	Joint ventures	50%	No
117	Yellow Octopus-UK Limited (formerly Yellow Octopus Fashion Ltd)	Joint ventures	50%	No
118	GWD Enterprises Limited	Associates	25%	No
119	Loop Digital Wardrobe Limited	Associates	34%	No
120	Reflaunt Pte Limited	Associates	26%	No
121	Sourcing Solutions Europe BVBA	Associates	50%	Yes
122	PDS Multinational Fashions ESOP Trust	Controlled trust	100%	No

*The reporting boundary for the disclosures in the BRSR are these entities, exceptions if any have been disclosed as a note under respective questions under BRSR

VI. CSR Details

9. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes, CSR is applicable to PDS Limited. in line with the statutory requirement, i.e., 2% of the average net profits of the last three years. As a part of CSR initiative, PDS has paid, ₹15.15 lakhs, to Soham for Kids Education Society, a trust registered under Societies Registration Act of 1860, based in Hyderabad which takes a holistic approach in helping children by providing them with healthcare, nutrition (two balanced meals a day), and education. It also empowers the parents of the children by providing them with vocational training to help them build a livelihood.

(ii) Turnover (in ₹) : **46,285.75 lakhs**

(iii) Net worth (in ₹) : **21,617.77 lakhs**

VII. Transparency and Disclosures Compliances

10. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders	Yes	1	0		0	0	
Employees/Workers	Yes	59	0		51	0	
Customers	Yes	0	0		0	0	
Value Chain Partners	Yes	0	0		0	0	
Other (please specify)	NA	0	0		0	0	

PDS has a well-established Grievance Redressal Policy. The Policy aims to ensure that all the Stakeholders are treated fairly, equally, and without any biases. All Stakeholders can raise grievances through the NAVEX global platform which is an independent tool. The complaints so raised are addressed by the Disciplinary Committee, promptly and within the allotted time frames.

Any concerns on malpractices can be reported by employees, vendors, contractors, or any other stakeholders to his/her reporting managers, or respective locational/functional human resources head.

If any Whistle Blower has concerns regarding submission to Protected Disclosures, he/she may report directly to the Chairperson of the Audit Committee.

Reporting Mechanisms

Ethics Hotline <https://pdsLtd.com/ethics-hotline/>

Email whistleblower@pdsLtd.com
auditcommittee@pdsLtd.com



11. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Green House Gases (GHG) Emissions	Risk	Emissions including greenhouse gas emissions pose significant environmental and health hazards. Damage to the ecosystem and biodiversity can have a grave impact on the reputation of PDS resulting in financial implications through fines, penalties, increased costs, loss of market opportunities, and negative media coverage.	<p>PDS is committed towards its sustainability goals and has put policies and practises in place to reduce the negative impact on the environment including GHG emissions.</p> <p>PDS has started monitoring its Scope 1 and Scope 2 emissions and has implemented a plan to monitor Scope 3 emissions as well.</p> <p>PDS has undertaken several initiatives to reduce emissions and its carbon footprint like installation of solar power at Nor Lanka Manufacturing Colombo Limited (Norlanka), Sri Lanka based subsidiary. PDS has recently completed the installation of solar power in Green Smart Shirts Limited, subsidiary in Bangladesh, and has also installed an in-house wash plant at Progress Apparels (Bangladesh) Limited (Progress), subsidiary in Bangladesh</p>	Negative
2	Energy Management	Risk	Energy management is critical as the operations of PDS are highly dependent on a continuous flow of energy. Given the limited natural resources, the need of the hour is to find alternative sources of energy and move from non-renewable to renewable sources, which are not only cleaner but also cost effective.	<p>The solar power plants installed by PDS at its factories locations is a step towards clean and sustainable energy consumption.</p> <p>Other than the recently set up cutting plant, all 3 manufacturing units have been recognised and awarded the LEED Gold Certification for its excellence in energy leadership and environmental design.</p>	Positive

S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Water Management	Risk and Opportunity	<p>Water being a scarce resource needs to be used consciously.</p> <p>Water in a crucial input in our manufacturing plants as well as offices. Misuse of water and wrong full practises of discharging water can have a bearing on the ecosystem and operations of PDS.</p>	<p>PDS has set practices to monitor the amount of water used in its operations and taken steps for better water management.</p> <p>These initiatives include rainwater harvesting, installations of auto-stop taps, and condenser reserve tank to reuse water from boilers, water pressure reduction valves introduced to reduce water usage.</p> <p>Apart from this various trainings were conducted for employees and workers to reduce water wastage and awareness</p> <p>PDS is a member of the Sustainable Apparel Coalition (SAC) and is committed to achieve Zero Discharge of Hazardous Chemicals and to significantly reduce water consumption in the supply chain.</p>	Positive
4	Community Relations	Opportunity	<p>Engaging with the community provides companies with an opportunity understand their needs and also provides an avenue to build trust and gain community support. Positive community relations can attract local talent, customers, and investors, creating additional market opportunities.</p>	<p>PDS undertakes various community programmes and outreach activities as a part of their commitment to being a socially conscious company. We have contributed towards providing quality education to underprivileged and orphaned children, through Soham Kids Education Society, Hyderabad and Soham for All, Bangladesh.</p> <p>We also reach out and provide support to communities in times of crisis, like the economic crisis in Sri Lanka and natural calamity in Turkey.</p>	Positive
5	Occupational Health & Safety	Risk	<p>Providing a safe and healthy workplace to all employees and workers is a prerequisite for productivity and organisational growth.</p>	<p>PDS ensures that adequate Health and Safety measures are provided to all employees and factory associates.</p> <p>PDS ensures that their operations are conducted keeping in mind the safety and well being of their employees.</p>	Positive
6	Product Quality and Safety	Risk and Opportunity	<p>Better quality products that are safe to use enhance customer satisfaction and also safeguards the Company for quality and safety claims.</p>	<p>All products are designed, tested and produced as per customers' specifications. The in-house quality inspection ensures that all the products delivered are of the highest quality.</p>	Negative



S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Supply Chain Management	Risk and Opportunity	It is crucial for companies to work with suppliers that not only help to improve operational efficiencies and resource consumption, but also limit pollution while following good business practises.	<p>PDS has put in place a policy towards Sustainable Supply Chain.</p> <p>PDS also has a detailed Supplier Code of Conduct.</p> <p>PDS conducts internal audits on all suppliers to ensure they comply with the Code of Conduct. They are assessed for issues such as forced labour, bonded labour, harassment, fair wages, working hours, compensation and benefits, freedom of association and collective bargaining, and health and environmental safety.</p>	Negative
8	Circular Economy	Opportunity	Circular economy aims at extending the life cycle of a product through reuse and recycling . It is important for companies to extend the life cycle of products to reduce wastage and its also helps the industry match demand and supply which is undergoing resource constraints.	PDS through its joint venture Yellow Octopus, provides sustainability solutions in the fashion industry by promoting circularity business models. Yellow Octopus has implemented successful take back programs in UK and Europe. Through these programs fashion waste have been diverted from landfills. Through its investment in Upcycle Labs , PDS provides upcycling solutions to the fashion industry. Further, PDS has invested in early stage start up companies that are focused on circularity solutions in the fashion value chain.	Positive
9	Human Rights	Opportunity	<p>Human Rights can be an opportunity for PDS to increase its brand reputation and gain both internal employees support.</p> <p>Human Rights procedures and policies will help create a positive environment to work.</p>	<p>PDS follows Zero Tolerance towards forced or compulsory labour including bonded labour, slavery, and human trafficking which is embedded in our Human Rights Policy.</p> <p>Further, PDS's Employee Code of Conduct, Policy on Prevention of Sexual Harassment at the Workplace, Human Rights Policy, Supplier Code of Conduct and HR practices cover various aspects of human rights protection across the PDS value chain engagement.</p>	Positive
10	Industry Collaborations	Opportunity	Sharing of industry best practises help companies keep upto date and provide a benchmark for performance against other peer companies sectors.	PDS is a signatory member of UN Global Compact and is a member of the Sustainable Apparel Coalition (SAC). Through these associations PDS collaborates with industry players in the apparel value chain.	Positive

SECTION B

MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Principle Description	Reference of PDS Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<ul style="list-style-type: none"> Employee Code of Conduct Code of Conduct for Regulating and Monitoring Trading by Insider Code of Conduct for Board Members & Senior Management Personnel Anti-Bribery and Anti-Corruption Policy Vigil Mechanism Policy Diversity of the Board Policy Business Responsibility Policy Policy on Related Party Transactions Communications Policy PDS Group Tax Policy
P2	Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> Sustainable Supply Chain and Responsible Sourcing Policy Environment Policy Employee Code of Conduct
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> Employee Code of Conduct Suppliers' Code of Conduct Policy on Prevention of Sexual Harassment at the Workplace Vigil Mechanism Policy Nomination and Remuneration Policy Equal Opportunity Policy Occupational Health and Safety Policy
P4	Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> Stakeholder Engagement Policy Grievance Redressal Policy Corporate Social Responsibility Policy
P5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> Human Rights Policy Employee Code of Conduct Equal Opportunity Policy Policy on Prevention of Sexual Harassment at the Workplace
P6	Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> Sustainable Supply Chain and Responsible Sourcing Policy Sustainable Packaging Policy Biodiversity Policy Environment Policy
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> Business Responsibility Policy Anti-Bribery and Anti-Corruption Policy Dividend Distribution Policy Policy for Determining Material Subsidiary Policy for Determining Material of Events Policy on Preservation of Documents Grievance Redressal Policy Stakeholder Engagement Policy Communications Policy
P8	Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> Corporate Social Responsibility Policy
P9	Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> Stakeholder Engagement Policy Business Responsibility Policy



Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	https://pdsLtd.com/investors/corporate_governance/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the below mentioned policies extend to our value chain partners 1) Supplier Code of Conduct 2) Sustainable Supply Chain and Responsible Sourcing Policy								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.									
	Name of Certification								
Principle 1	1. Wrap Certification – Gold certificate of compliance: 3 Owned Manufacturing Facilities (excludes Cutting Plant in Sri Lanka) 2. ISO 9001: 2015 - Green Smart Shirts Limited 3. GSCS International - Global Organic Textile Standard - All 4 owned manufacturing units								
Principle 2	1. OEKO TEX: 3 Owned Manufacturing Facilities (excludes Cutting Plant in Sri Lanka)								
Principle 3	1. ACCORD on Fire Building Safety - Green Smart Shirts Ltd 2. BSCI certification - 3 Owned Manufacturing Facilities (excludes Cutting Plant in Sri Lanka)								
Principle 4	NA								
Principle 5	NA								
Principle 6	The following certifications are for 3 Owned Manufacturing Facilities (excludes Cutting Plant in Sri Lanka): 1. Higg Index – Environmental Module/ FSLM 2. GSCS International - Organic Content Standard 3. GSCS International - Global Recycled Standard 4. LEED -Gold 5. Global Organic Textile Standard 6. EUROPEAN FLAX® Standard 7. SMETA Audit Verified 8. BCI Certification 9. OCS Certification								
Principle 7	NA								
Principle 8	NA								
Principle 9	NA								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	PDS has set out goals and targets for its sourcing businesses and manufacturing businesses. The various initiatives undertaken by PDS are focused on four key pillars: Reduced emissions, Respect Water & the Environment, Think Circular, Build Communities. PDS has set a road map with measurable targets for 2023-2030 and plans to achieve a Net Zero organization by 2050. Targets • 2023 – Join UN Global Compact • 2024- Define Scope 1,2 and 3 Emissions • 2025- SBTi approved emission reduction targets • 2026 – 1000 Children from Vulnerable communities in free primary and secondary education • 2027 – MMCF • 2030 – Reduce Water consumption by 20%								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>PDS has implemented energy use reduction initiatives in both its own manufacturing plants as well as in its partner factories. PDS is investing in clean energy alternatives such as solar power for its manufacturing plants.</p> <p>Rainwater harvesting system was installed in NorLanka (Sri Lanka based manufacturing facility). Rainwater is collected from the roof tops and is used to recharge the groundwater.</p> <p>PDS has become a signatory to UN Global Compact in 2023. Through this, PDS will align its strategies and initiatives with the ten principles related to human rights, labour, environment, and anti-corruption. In line with this outlook, PDS has started monitoring its Scope 1 and 2 emissions for 2022 and 2023.</p>								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):

PDS believes that integrating environmental, social, and governance (ESG) principles in our business activities enables companies to mitigate risks, meet consumer expectations, comply with regulations, and enhance its reputation, ultimately contributing to a more sustainable and responsible future for the industry. Environmental issues are a massive challenge for our industry, and PDS believes that a transition from short-term 'trend' based decisions to long-term solutions with a real measurable impact is needed. As a global platform company, with a strong focus on sustainability, PDS is aware of the environmental and social impact of its operations and are committed to finding solutions to address these issues.

PDS targets to be the driving force in bringing perennial change to the fashion industry and be the industry's "first choice" supply-chain partner with the most ethical, sustainable and eco-efficient strategies. At the center of the PDS's Sustainability Agenda are the four pillars of: Reduced Emissions, Respect Water & the Environment, Think Circular, Build Communities. PDS has set a road map with measurable targets for 2023-2030 and plan to achieve a Net Zero organization by 2050.

PDS's manufacturing facilities are Gold LEED certified and aim to get a Platinum Certification soon. PDS is in the process of installing solar power at Green Smart Shirts Limited, one of PDS's manufacturing facilities in Bangladesh. Progress Apparels, Bangladesh installation of a state-of-the-art wash plant with funding from the Netherlands-based Good Fashion Fund. With this facility,

Progress Apparels can now manage a majority of the current wash requirement in-house, translating into savings in transportation costs and production turnaround time resulting in operating efficiencies. The facility will also stand to benefit from the expertise of the Good Fashion Fund in technical, environmental, and social matters for sustainable production.

PDS has an investment arm PDS Ventures that invests in start-ups focused on innovation in the fashion value chain and sustainable solutions, from concept to delivery. PDS commitment is to be part of the solution, not the problem. For example, one of its portfolio company Upcycle Labs Limited is using the waste from products like perfume bottles, cosmetics, footwear, and clothing to create home décor products; fire-resistant bricks, and store fixtures amongst other.

PDS recognize that its ESG journey is ongoing, and will remain committed to continuous improvement. PDS will continue to identify and address emerging ESG challenges, set ambitious targets, and drive positive change within the organization and beyond.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

The Group Chief Executive Officer (CEO) is the highest authority responsible for the implementation and oversight of the Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Company has a designated Committee towards compliance and ESG related issues.

**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/Half-yearly / Quarterly/ Any other- please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow up action	Performance against the above-mentioned policies and follow-up action is reviewed by the Board of Directors, Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee, as applicable.									The periodicity of these reviews is once every three years or whenever an update is required due to change in applicable laws.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	No non-compliances have been observed during the reporting period.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
	Internal auditors review the policies on a periodic basis and evaluate working of the same and assess the adequacy and effectiveness in terms of best practices followed by other organizations of repute. Audit Committee reviews the adherence to the said policies in the Company.																	
	PDS had engaged one of the Big 4 consulting firms to conduct assessments and reviews of PDS's policies for compliance with the applicable laws.																	

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C**PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this Report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	5	Human Rights: 5 training programs	100%
KMP	5	Skill Development: 4 training programs	40%
Employees other than BoD and KMPs	103	Human Rights: 1 training program Health and Safety: 3 training programs	54%
Workers	75	Human Rights: 72 training programs Skill Development: 28 training programs Health and Safety -27 training programs Human Rights - 44 training programs	67%

The above table captures all PDS Group entities where trainings were conducted, and appropriate training records were maintained.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	0	0	0	No
Settlement	NA	0	0	0	No
Compounding fee	NA	0	0	0	No

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	0	0	No
Punishment	NA	0	0	No

There are no fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings with regulators/law enforcement agencies/ judicial institutions, in the financial year 2022-23.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

There are no cases where monetary or non-monetary action has been appealed in the financial year 2022-23.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

PDS has a policy covering Anti-Bribery and Anti-Corruption. The Policy applies to all levels and grades, including directors, employees (permanent, fixed-term or temporary), consultants, contractors, sponsors, vendors or any other person associated with us, including our subsidiaries and their employees. The Policy defines responsibilities, potential risk scenarios, responsible persons, and channels to report any form of bribe or corruption ([Link](#))

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

Category	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0

There have been no instances of disciplinary action being taken by any law enforcement agency on any of our Directors/KMP/ employees/workers for charges of bribery or corruption.

**6. Details of complaints with regard to conflict of interest:**

Details of complaints with regard to conflict of interest	FY 2022-23		FY 2021-22	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No Complaints have been reported for FY 2022-23.	0	No Complaints have been reported for FY 2021-22.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	No Complaints have been reported for FY 2022-23.	0	No Complaints have been reported for FY 2021-22.

During the financial year 2022-2023, there have been no complaints of conflict of interest in relation to Directors or KMPs.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, in cases of corruption and conflicts of interest.

There have been no issues or complaints related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. PDS has in place detailed mechanisms to follow for any issues related to cases of corruption through its Anti-Bribery and Anti-Corruption Policy. PDS has also laid down procedures to follow for any conflict-of-interest cases via its Employee Code of Conduct.

Leadership Indicators**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

PDS conducts various programs and sessions for its value chain partners throughout the year. These programs are targeted at Health and Safety awareness, Human Rights, ESG and the Supplier Code of Conduct followed by PDS.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, PDS has a Code of Conduct for the board members and senior management of PDS. The Code of Conduct captures the potential areas where a conflict of interest can arise and the reporting mechanism for the same. The board members and senior management submit an annual declaration to the secretarial team stating that they have duly complied with the Code of Conduct.

Principle 2: Businesses should provide goods and services in a manner that is Sustainable and Safe

Essential Indicators**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	NIL	NIL	
Capex	74%	17%	<p>Financial Year 2022-2023 : During the year, PDS invested in a state-of-the-art wash plant in Progress Apparels (Bangladesh) Ltd. This was done in collaboration with Good Fashion Fund. The new wash plant has the capacity to wash 6 million garments per annum enabling PDS to cater a majority of the current wash requirement in-house, thus limiting transportation from PDS to other wash plants outside the industrial zones.</p> <p>PDS is in the process of building a solar power plant at Green Smart Shirts Ltd in Bangladesh. PDS has also invested in a 3 ton Jhute Boiler for the production of steam at the same unit.</p> <p>Financial Year 2021-2022: In the previous year, the PDS incurred capex for the installation of the solar power plant of 630 KW capacity and also implemented the rainwater harvesting system in Norlanka, its Sri Lanka based subsidiary.</p>

Note: The above table represents the capital expenditure incurred by the three owned manufacturing entities, viz., Norlanka Manufacturing Colombo Ltd, Progress Apparels (Bangladesh) Ltd and Green Smart Shirts Ltd of PDS.

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

Yes. PDS is driven by its commitment to ethical and sustainable sourcing, safe-to-wear products and complete supply chain transparency. PDS has implemented a Sustainable Supply Chain and Responsible Sourcing (SSCRS) policy. Through this policy PDS ensures the principles of sustainability are followed by Suppliers and also assist Suppliers in identifying, mitigating, and managing their sustainability risks.

PDS periodically conducts internal audits to ensure that the value chain partners comply with the SSCRS and the Suppliers Code of Conduct. Many of the value chain partners also use fabrics which are certified by Oeko-tex® STeP which ensure they meet internationally recognized sustainability and environmental standards. The Oeko-tex® Made in Green Label is issued for products that are tested for harmful substances, produced in environmentally friendly facilities, and manufactured in safe and responsible workplaces.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

PDS is a global fashion infrastructure company that provides global brands and retailers customized solutions across the value chain offering services including designed sourcing, sourcing as a service, manufacturing and brand management.

All products manufactured at PDS's owned manufacturing facilities are as per customer specifications and the respective brand guidelines. Given PDS operates in a B2B segment, the reclamation of above mentioned waste is mainly carried out by the brands, retailers or end customers.

However, PDS through its venture capital arm PDS Ventures has invested in companies that promote circular economy, like Upcycle Labs, Evernu, Loop and Style Theory amongst others. Upcycle Labs provides upcycling services for brands & retailers to convert unwanted inventory into high-quality décor products, store fittings, etc. Evernu uses a revolutionary, new technology to recycle cotton garment waste to create premium, renewable textile. LOOP and Style Theory are online platforms to resell, swap, donate, rent clothing. Through these investments PDS helps contribute towards reclaiming products for reusing and recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. PDS does not manufacture any products with plastic packaging in India.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

At present PDS does not track Product Life Cycle assessments, however some of the supply chain partners are HIGG members. Through this membership the supply chain partners need to submit data for their respective facilities which helps to track their impact on energy, waste, water chemical management.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

In the apparel and textile industry, GHG emissions are embedded across the value chain. PDS works closely with customers and factories to ensure that it shares industry best practices and processes. PDS is taking a science and data driven approach to baseline its total GHG emission and thus build a strategy in line with the UNFCCC commitment of net zero by 2050.



Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/ A)	Number (F)	% (F/ A)
Permanent employees											
Male	3,022	2,802	93%	2,556	85%	0	-	400	13%	912	30%
Female	895	629	70%	526	58%	895	100%	0	-	102	11%
Total	3,917	3,431	88%	3,082	79%	895	23%	400	10%	1,014	26%
Other than Permanent employees											
Male	30	8	27%	9	30%	0	-	9	30%	0	-
Female	35	1	3%	6	17%	35	100%	0	-	0	-
Total	65	9	14%	15	23%	35	54%	9	14%	0	-
Workers											
Male	1,233	14	1%	1,218	99%	0	-	56	5%	1,177	95%
Female	4,913	10	0.2%	4,900	100%	4,913	100%	0	-	4,880	99%
Total	6,146	24	0.4%	6,118	100%	4,913	80%	56	1%	6,057	99%
Other than Permanent Workers											
Male	5	0	-	0	-	0	-	5	100%	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	5	0	-	0	-	0	-	5	100%	0	-

2. Details of retirement benefits for current and previous financial year:

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	8%	-	Y	8%	-	Y
Gratuity	10%	-	Y	8%	-	Y
ESI	1%	-	Y	0.03%	-	Y
Others	80%	100%	Y	27%	100%	Y

Note:

- 1) PF, Gratuity and ESIC data shown in the table above pertains to all Indian entities in PDS Group.
- 2) For all other Non-Indian companies, the retiral benefits are as per the respective laws of the land.

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The number of differently abled employees and workers across PDS's plants and offices is very low. PDS is taking steps towards make its manufacturing facilities and offices more accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, PDS has an Equal Opportunity Policy. The objective of this Policy is to ensure that there is no discrimination against any person basis their gender, sexual preference, religion, race, color or disability. Through this Policy, all supervisors and managers are responsible to ensure that equal opportunities are applied at all times and that all procedures & practices are free of discrimination. ([Link](#))

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	92%	67%	-	-
Female	91%	64%	97%	59%
Total	91%	65%	97%	59%

Note: The above table represents PDS's employees and workers who went on parental leave. There were no permanent male workers who went on parental leave in the previous year.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Permanent Workers	Yes. PDS has established a Grievance Redressal Policy, which provides a framework to ensure all Employees and Workers are treated fairly, equally, and without any biases. All complaints are treated promptly and dealt within the allotted time frames. Employees and Workers can raise grievances through the Ethics Hotline Platform. Every complaint received is reviewed by the Vigilance Officer/Ombudsman and is sent to the members of the Board for disciplinary action.
Other than Permanent Worker	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

PDS does not have a list of recognized associations or Unions. PDS does not place any restrictions and the employees or workers are free to join any associations or unions.

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	On Health and Safety Measures			On Skill Upgradation		On Health and Safety Measures			On Skill Upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3,052	380	12%	979	32%	2,755	215	8%	244	9%
Female	930	123	13%	396	43%	851	60	7%	129	15%
Total	3,982	503	13%	1,375	35%	3,606	275	8%	373	10%
Workers										
Male	1,238	1,238	100%	298	24%	1,260	1,260	100%	175	14%
Female	4,913	4,913	100%	1,825	37%	4,384	4,384	100%	1,540	35%
Total	6,151	6,151	100%	2,123	35%	5,644	5,644	100%	1,715	30%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3,052	2,590	85%	2,755	1,911	69%
Female	930	794	85%	851	441	52%
Total	3,982	3,384	85%	3,606	2,352	65%
Workers						
Male	1,238	857	69%	1,262	859	68%
Female	4,913	4,137	84%	4,384	3,781	86%
Total	6,151	4,994	81%	5,646	4,640	82%

**10. Health and safety management system:**

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?**

No. However, PDS has a Policy on Occupational Health and Safety that enables the Compliance team to evaluate their value chain partners. PDS only engages with factories that provide their workers with a safe and healthy work environment. PDS's Compliance teams work with our factories and partner factories to develop and maintain high standards of Health and Safety in the industry.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

PDS follows a systematic approach to identify work-related hazards that typically includes the following steps:

Hazard Identification: The first step is to identify hazards that exist in the workplace. This is done through methods, like workplace inspections, job hazard analysis, and review of incident reports.

Risk Assessment: Once hazards are identified, the next step is to assess the risks associated with each hazard. This involves evaluating the likelihood and severity of potential harm or injury.

Controls: The next step is to develop and implement controls to eliminate or minimize the risk. PDS reviews the existing controls and its efficiency, in addition to this controls are devised to mitigate the risks and hazards identified these include engineering controls, administrative controls, or use personal protective equipment (PPE).

Monitoring and Review: Regular monitoring and review of the hazard controls are necessary to ensure they remain effective and to identify any new hazards that may arise. This is done through workplace inspections, audits, or incident investigations.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, PDS has enabled and trained their employees and workers to use the below mediums of communication to report work related hazards.

Reporting to designated person: PDS's owned manufacturing facilities are assigned a safety officer, a supervisor or a manager, who is responsible for identifying and mitigating potential hazards. Workers can report work-related hazards to such designated persons.

Reporting to HR or production team: Workers can also report work-related hazards to the human resources department or the production team. These teams can coordinate with the designated person to address the hazard.

Whistleblowing Hotline: PDS has Ethics Hotline <https://pdsdtd.com/ethics-hotline/> in anonymous complaints can be raised. Some of the partner factories have an industry hot line number that workers can use to report work-related hazards.

Grievance box : Workers can also submit a grievance to their employer if they feel that their work-related hazard has not been addressed properly. This could include submitting a written grievance or using a grievance box.

- d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

PDS manufacturing facilities have an on-site medical officer and medical center where employees and workers can avail non-occupational medical and healthcare services. These manufacturing facilities provide services like routine checkups, preventive care, and treatment for illnesses or injuries that are not work-related.

Most of the employees are covered under the group medical insurance policy which is driven by the respective entities across the PDS Group.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	7.33	0
	Workers	8.48	5.04
Total recordable work-related injuries	Employees	5	0
	Workers	134	81
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Measures taken by the Company to ensure a safe and healthy workplace are:

- Conduct regular safety and health training
- Implement safety protocols and policies
- Conduct regular inspections and audits
- Provide adequate PPE
- Ensure proper ventilation at all manufacturing units

13. Number of complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	13	0		15	0	
Health & Safety	36	0		31	0	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

PDS reviews the safety procedures for its manufacturing units on a regular basis. Any issues found are immediately addressed with the help of the safety personnel on site.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employees – Yes. Life insurance is provided to most of the employees.

Workers – Yes. All workers are covered under the life insurance policy.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

There are no measures undertaken by PDS to ensure that statutory dues have been deducted and deposited by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0
Workers	0	0	0	0



4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Currently PDS does not provide any transitional assistance programs.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

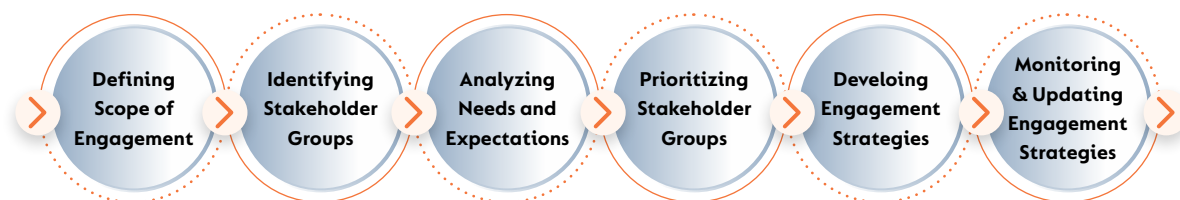
PDS conducts planned or unannounced social compliance audits on a periodic basis to ensure legal and customer standards are maintained. The team will identify significant risks and capture the same as a corrective action plan for the said facility. The facility will need to show progress as per the defined plan. In the event of repetitive serious violations / failure to comply with required standards, the facility is issued firstly with a warning letter followed by a termination notice if no progress is witnessed.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Our stakeholders play an important role as partners in our value-creation journey. Any individual, group of individuals, institutions that impacted by our business are identified as a key 'stakeholder'. Stakeholder engagements not only provide us with an opportunity to communicate our vision and purpose but also helps us understand our stakeholder's concerns and incorporate them in our decision-making process. We follow a structured approach to identifying individuals, groups, or organizations that impact or are impacted by the Company's products and services. This process includes:



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities	No	<ul style="list-style-type: none"> Industry Associations/ Forums Corporate Presentations/ Reports Written/Email Communication Briefings and Direct Meetings 	Ongoing- throughout the year	Purpose and scope of engagement <ul style="list-style-type: none"> a. Regulatory Compliance b. Advocacy of policies that support sustainability Key topics raised during the engagement <ul style="list-style-type: none"> a. Compliance monitoring and reporting b. Policies c. Regulations related to Product Safety and Quality d. Regulations related to Labour e. Environmental, Social, and Governance (ESG) issues related to the apparel industry

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	<ul style="list-style-type: none"> Team Meetings Email Communication Employee Survey Trainings Orientation/Induction Programme Town Halls Learning Initiatives Annual Performance Reviews Rewards and Recognition Exit Interviews 	Ongoing-throughout the year	<p>Purpose and scope of engagement</p> <ul style="list-style-type: none"> a. Collaboration b. Employee Well being c. Improving Operational Efficiency <p>Key topics raised during the engagement</p> <ul style="list-style-type: none"> a. Organizational Strategy, Vision, Policies, and Procedures b. Compensation and Benefits c. Work-life balance d. Career development opportunities e. Training programs f. Employee programs g. Diversity, Equality, and Inclusion initiatives h. Workplace Health and Safety i. Organizational Strategy, Vision, Policies, and Procedures
Customers	No	<ul style="list-style-type: none"> Customer Meets Personal/Telephonic Interactions Media Campaigns and Advertising Knowledge Seminars and Events Digital Platforms Social Media Feedback Survey Email Communication 	Ongoing-throughout the year	<p>Purpose and scope of engagement</p> <ul style="list-style-type: none"> a. Understanding customer needs, preferences, and expectations b. Customer feedback c. Impact of products and services <p>Key topics raised during the engagement</p> <ul style="list-style-type: none"> a. Product pricing b. Innovative Products and solutions c. Product delivery options d. Sustainable practices and initiatives
Suppliers	No	<ul style="list-style-type: none"> Visits and Personal/ Telephonic Interactions Supplier Onboarding Sessions Trainings Email Communication 	Ongoing-throughout the year	<p>Purpose and scope of engagement</p> <ul style="list-style-type: none"> a. Quality of products provided by suppliers b. Supplier's pricing structure c. Supplier's capacity and delivery capabilities d. Contingency plans in case of delays or disruptions e. Supplier assessments <p>Key topics raised during the engagement</p> <ul style="list-style-type: none"> a. Supplier's quality control procedures b. Product delivery timeframe c. Compliance with laws and regulations d. Supplier assessments of environmental and ethical standards
Investors & Shareholders	No	<ul style="list-style-type: none"> Annual Report and Sustainability Report Annual General Meeting Conferences, Seminars Investor Meets Investor Presentations Website Email Communication Media Releases 	Quarterly	<p>Purpose and scope of engagement</p> <ul style="list-style-type: none"> a. Respond to their concerns and inquiries b. Company's financial performance c. Corporate strategy and governance d. Sustainability practices <p>Key topics raised during the engagement</p> <ul style="list-style-type: none"> a. Company's financial results, Year on Year performance b. Corporate strategy updates c. Innovation and key investments d. Governance including board composition e. Sustainability practices including the Company's approach to ESG issues, and human rights policies



Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

PDS is represented by the heads of various departments and business vertical heads, who actively engage with stakeholders. PDS also has an established Stakeholders' Relationship Committee who is at the forefront for all stakeholder related communications. Apart from the board committees, PDS also has a dedicated team of industry experts, that directly interacts with the board for the management of compliance, environmental, and social topics. All discussions and feedback from the Stakeholders are reviewed and discussed with the respective committees internally and then communicated to the Board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, Stakeholder consultation is done for the identification and management of environmental and social topics. PDS through its stakeholder engagement activities identifies areas that are material from an environmental and social impact perspective. The outcome of the engagement activities is discussed with the senior leadership and the board, which is then incorporated in ESG strategy of PDS.

PDS's sustainability and community initiatives are driven by our interactions with our stakeholders, details of all its initiatives is available on PDS's website.

Link - [Sustainability – PDS Limited \(psltd.com\)](https://www.pdsltd.com/sustainability)

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Vulnerable/ marginalized stakeholder groups are people who, due to factors outside their control, do not have the opportunities as other, more fortunate groups in society. PDS has identified these groups and undertaken various initiatives to address their concerns. These initiatives are around under privileged children and women in less developed regions.

Through its Soham For Kids, initiative in Mallapur, Hyderabad, PDS promotes education of underprivileged and orphaned children. Soham for Kids helps children by providing them access to quality education, nutritious meals, educational material, health check ups, etc. The school has approx. 200+ students enrolled from the nearby villages. PDS also provides the parents of children with skills training.

PDS also supports Soham For All, Centre of HOPE, in Dhaka, Bangladesh that has been running a primary school for children and a vocational training centre for garment factory worker in Savar (Dhaka, Bangladesh) since 2015. Through this school children are educated or tutored in Bangla medium with emphasis on English language. The school also looks to develop other skills and 'intelligences' through mind enrichment programs that include activities in art, craft, self-expression etc. Students of higher grades also get trained on computer skills and industrial sewing skills.

PDS's subsidiary, Poeticgem International Limited has undertaken a project in Dhaka for an all girls school through Abinta Kabir Foundation. The project aims to provide holistic education through a uniquely designed curriculum. As a part of FY 2022-23, Poeticgem allocated a total of 99,991 BDT for stationeries requirements. This covered 107 students for a full academic year. Poeticgem ensures all the needs for the school are met in consultation with Abinta Kabir Foundation.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	3,793	1,042	28%	3,548	36	1%
Other than permanent	189	0	-	58	0	-
Total Employees	3,982	1,042	26%	3,606	36	1.00%

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Workers						
Permanent	6,146	2,362	39%	5,640	58	1%
Other than permanent	5	0	-	4	0	-
Total Workers	6,151	2,362	39%	5,644	58	1%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
Permanent	400	0	-	400	100%	318	0	-	318	100%
Male	299	0	-	299	100%	232	0	-	232	100%
Female	101	0	-	101	100%	86	0	-	86	100%
Other than permanent	7	0	-	7	100%	0	0	-	5	100%
Male	5	0	-	5	100%	0	0	-	2	100%
Female	2	0	-	2	100%	0	0	-	3	100%
	Workers									
Permanent										
Male										
Female										
Other than permanent										
Male										
Female										

Note:

- The above table provides details of minimum wages as per the Minimum Wages Act as applicable in India for six entities, viz., PDS Limited, DBS Lifestyle India Private Limited, Digital Ecom Techno Private Limited, Norlanka Brands Private Limited, SOT Garments Private Ltd and Technocian Fashions Private Ltd.
- Companies in other jurisdictions, including our factories located in Bangladesh and Sri Lanka have been excluded from the table above, however all the companies across jurisdictions meet the local minimum wage requirements in respective regions.

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	40.17	2	52.98
Key Managerial Personnel	3	136.37	-	-
Employees other than BoD and KMP	3,048	4.52	930	12.43
Workers	1,238	0.97	4,913	0.95

Note:

- The Board of Directors of PDS Ltd are also the Directors on the board of the subsidiaries and are being paid remuneration/sitting fees from such subsidiaries.
- Median remuneration of KMP's has been calculated on a proportionate basis considering the salary paid during the year.
- The median calculation excludes the remuneration of one overseas employee of a joint venture company whose appointment terms restrict salary disclosures.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. PDS has a detailed process and grievance redressal mechanism for human rights given in their Human Rights Policy. All employees and workers can raise grievances through the NAVEX GLOBAL[®] which is an independent tool. All complaints received through NAVEX GLOBAL[®] is reviewed by the Vigilance Officer / Ombudsman and is sent to the members of the Board for the disciplinary action.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All employees and workers can raise grievances through the NAVEX GLOBAL[®]. All complaints are reviewed by the Vigilance Officer/Ombudsman and then sent to the members of the Board for the disciplinary action.

PDS has an established system and process in place to appropriately investigate, initiate action, and bring closure to such issues while ensuring the complainant does not face any form of retaliation. Details of channels through which employees and workers can register their complaints are:

Navex Platform- <https://pdsLtd.com/ethics-hotline/>

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		1	0	One complaint was received from an employee of the subsidiary Company regarding Sexual Harassment at workplace. This has been duly disposed off and no complaint was pending at the end of the year.
Discrimination at workplace	4	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

PDS has laid down a detailed Human Rights Policy that covers:

- Equal Opportunity and non-discrimination
- Healthy and safe working environment
- Harassment free workplace
- Freedom of Association
- Inclusive Workplace
- Prohibits Child Labor and Forced Labor
- Human Rights Assessments

Any complaints from employees or workers with respect to discrimination and harassment will be appropriately investigated and brought to closure while ensuring the complainant does not face any form of retaliation.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements form part of PDS's business agreements and contracts for all vendors. PDS's has established a Supplier's Code of Conduct that is derived from values and standards set by the declaration of Human Rights and International Labor Organization's core conventions. PDS has also setup standards for Zero Tolerance Violation for :

- Child labour
- Forced labour
- Discrimination in any form.
- Harassment and Abuse at workplace.
- Unauthorized Subcontracting
- Access denied to auditor for conducting factory tour, worker interviews or document review or any other mode of denial that will hamper audit process
- Shared building with Shops/Market, Residence, different owner or with hazardous process (which may impact employees/product safety)

- Factory building not approved for industrial purpose
- Any unethical practice, such as bribery in the form of cash or kind to facilitate any process

Any violations of these standards will attract strict action by the PDS Group.

9. Assessments of the year

PDS follows a Zero Tolerance Violations policy and undertakes these assessments during onboarding any vendor facility. Apart from this PDS also conducts periodic assessments, atleast twice per annum.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

PDS has a Zero Tolerance Violation policy in place and undertakes assessments during on-boarding any vendor facility. PDS also conducts periodic assessments, atleast twice per annum. Corrective action plan is put in place for any violations and repetitive serious violations translate into termination.

Leadership Indicators**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

There are no business processes that required to be modified / introduced as a result of addressing human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due diligence conducted

As an integral part of our vendor onboarding process, we evaluate vendors for compliance with Human rights issues and have a ZTV for any violations. Vendors are evaluated for issues like bonded labour, fair pay without illegal deductions, child labour, discrimination and harassment, safe and clean working conditions, excessive working hours, freedom of association of workers, etc

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

PDS has a low number of employees who are differently abled. All of PDS's offices present in India are located in rented facilities. In this case PDS will not be able to provide modifications in office infrastructure for differently abled persons. PDS does ensure all support is provided to its differently abled employees and visitors

4. Details on assessment of value chain partners:

PDS conducts assessment of its value chain partners. For all its manufacturing facilities PDS ensures they comply with the Suppliers Code of Conduct and are assessed for forced labor, bonded labor, harassment, fair wages, working hours, compensation and benefits, freedom of association and collective bargaining, and health and environmental safety.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	100%

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

There were no significant risks which required any major corrective actions. However, PDS conduct planned or unannounced social compliance audits on a periodic basis to ensure legal and customer standards are maintained. The team will identify significant risks and capture the same as a corrective action plan for the said facility. The facility will need to show progress as per the defined plan. In the event of repetitive serious violations / failure to comply with required standards, the facility is issued firstly with a warning letter followed by a termination notice if no progress is witnessed.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2022-23 (Unit-Giga Joule)	FY 2021-22 (Unit-Giga Joule)
Total electricity consumption (A)	19,164.12	17,971.55
Total fuel consumption (B)	14,942.81	11,611.94
Energy consumption through other sources (C)	39,889.50	5,079.06
Total energy consumption (A+B+C)	73,996.43	34,662.55
Energy intensity per rupee of turnover (Total energy consumption in GJ/ turnover in rupees in Crores)	96.85	60.49

Notes:

- Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set up in February 2023).
- Fuel (diesel) consumption in company-owned vehicles and grass cutter are excluded as they are not material.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, The above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

PDS does not have any sites/ facilities that are identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	42,931.00	43,322.00
(iii) Third party water (Municipal water supplies)	1,23,064.25	95,273.90
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,65,995.25	1,38,595.90
Total volume of water consumption (in kilolitres)	1,65,995.25	1,38,955.90
Water intensity per Cr. rupee of turnover (Water consumed / turnover)	217.27	241.88

Notes:

- Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set up in February 2023).
- PDS is in the process of implementing a system to track water discharge from its premises. For current disclosure, it is assumed that water withdrawn is equal to water consumption across all facilities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, PDS has implemented Effluent Treatment Plants (ETP) in two of its manufacturing facilities in Sri Lanka and Bangladesh respectively.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	tonnes/annum	0.68	0.52
Sox	tonnes/annum	0.24	0.22
Particulate matter (PM)	tonnes/annum	0.07	0.05
Persistent organic pollutants (POP)	tonnes/annum	0.00	0.00
Volatile organic compounds (VOC)	tonnes/annum	0.00	0.00
Hazardous air pollutants (HAP)	tonnes/annum	0.00	0.00
Others – (CO)	tonnes/annum	0.17	0.13
SPM	tonnes/annum	0.00	0.00
PM10	tonnes/annum	0.00	0.00
PM2.5	tonnes/annum	0.00	0.00
TOC (asCH4)	tonnes/annum	0.00	0.00

Notes :

- Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set-up in February 2023).
- Emissions from company-owned vehicles and grass cutter are excluded as they are not material.
- Emissions are calculated based on the EPA methodology.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,119.37	811.76
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3,227.66	3026.39
Total Scope 1 and Scope 2 emissions per Cr. rupee of turnover	Per Cr. rupee of turnover	5.69	6.70

Notes :

- Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set-up in February 2023).
- Emissions from company-owned vehicles, grass cutter and fugitive emissions are excluded as they are not material.
- Emissions are calculated based on the GHG protocol and IPCC 2006 methodology.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

7. Does the entity have any project related to reducing GreenHouse Gas emission? If Yes, then provide details.

Initiative undertaken	Details of the initiative	Outcome of the initiative
Norlanka Roof top Solar Project (630 KW) at Sri Lanka	PDS's Sri Lanka based subsidiary, NorLanka Manufacturing Colombo Ltd (Norlanka), has installed Solar Power panels on the rooftops of the unit.	This project shall reduce the dependency on non-renewable sources and enable use of clean energy, thus help in reducing overall GHG Emissions.
Yagirala Rainforest reforestation project at Sri Lanka - 2022	Norlanka has completed a reforestation project in the Yagirala rainforest. A total of 200 trees were planted.	This project will help increasing the forest cover & carbon sequestration.
One Tree matters campaign 2021 at Sri Lanka	Norlanka has Initiated a tree plantation program called One Tree Matters in 2021 and 2022. More than 400 + saplings were planted in 2021 and 6000+ saplings were planted in 2022.	The main objective of the program was supporting the community and biodiversity.
Mangrove Restoration project	A mangrove Restoration was initiated with the University of Kelaniya. Around 650 mangroves were planted.	The main objective of the program was supporting the community and biodiversity.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	19.05	22.78
E-waste (B)	0.61	0.37
Bio-medical waste (C)	0.21	0.19
Construction and demolition waste (D)	-	-
Battery waste (E)	1.51	1.15
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0.87	0.49
- Machine Oil	0.46	0.34
- Chemical drums	0.41	0.15
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	910.77	710.07
- Food Waste	40.12	64.69
- Jhute/Fabric	719.15	511.02
- Cardboard/Paper/Carton	123.97	104.37
- Mixed waste including empty thread cones	27.53	30.00
Total (A+B + C + D + E + F + G + H)	933.04	735.05

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category	FY 2022-23	FY 2021-22
(i) Recycled	5.70	1.62
(ii) Re-used	159.60	138.87
(iii) Other recovery operations	-	-
Total	165.30	140.49
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (Energy Production)	368.69	228.58
(ii) Landfilling	41.11	71.18
(iii) Other disposal operations (Safe Disposal)	357.95	294.80
Total	767.75	594.56

Note:

- 1) Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set-up in February 2023).
- 2) Iron and tin waste from GSSL has been excluded from current disclosures as they are not material.
- 3) For current disclosures, it is assumed that total waste generated is equal to total waste disposed.



Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes, the above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

All the waste generated at PDS's three own manufacturing entities is managed as per the local waste management regulations. Each entity has a documented waste management procedure (SOP) which is followed by them. The SOP states the procedures for handling each category of waste, its storage and disposal/recycling mechanism.

For hazardous/chemical wastes PDS has set up ETP plants at its manufacturing facilities in Sri Lanka and Bangladesh. All water discharged from these units is first treated in ETP and then released for alternate uses like water gardens, farm lands, etc.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following

PDS does not have any operations/offices in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

There are no projects undertaken by PDS in the financial year 2022-23 that attract Environmental Impact Assessments.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, PDS is compliant with all applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A) Solar Energy	2,925.91	401.52
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2,925.91	401.52

Parameter	FY 2022-23	FY 2021-22
From non-renewable sources		
Total electricity consumption (D)	19,164.12	17,971.55
Total fuel consumption (E)	14,942.81	11,611.94
Energy consumption through other sources (F)	36,963.59	4,677.55
Total energy consumed from non-renewable sources (D+E+F)	71,070.51	34,261.04

Note

1) Reporting boundary is limited to the three manufacturing facilities located in Sri Lanka and Bangladesh (excludes cutting plant set up in February 2023).

2) Fuel (diesel) consumption in company-owned vehicles and grass cutter are excluded as they are not material.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency

Yes, the above data has been assured by Deloitte Haskins & Sells LLP (DHSLLP).

2. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:** Nil

(ii) **Nature of operations:** Nil

(iii) **Water withdrawal, consumption and discharge in the following format:**

There is no water withdrawal, consumption and discharge in areas of water stress

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

PDS does not have any operations/offices in/around ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Nor lanka Roof top Solar Project (630 KW) at Sri Lanka	Installation of Solar Power panels on rooftops	This project will reduce overall GHG Emissions.
Rainwater Harvesting System at the manufacturing unit in Sri Lanka	Implementation of Rainwater harvesting systems.	Rainwater harvesting systems will increase the groundwater quality
Yagirala Rainforest reforestation project – 2022 at Sri Lanka	Norlanka has completed a reforestation project in the Yagirala rainforest. A total of 200 trees were planted.	This project will help increasing the forest cover & carbon sequestration
One Tree matters campaign 2021 at Sri Lanka	Norlanka has Initiated a tree plantation program called One Tree Matters in 2021 and 2022. More than 400 + saplings were planted in 2021 and 6000+ saplings were planted in 2022.	The main objective of the program was supporting the community and biodiversity.
Mangrove Restoration project at Sri Lanka	A mangrove Restoration was initiated with the University of Kelaniya. Around 650 mangroves were planted.	The main objective of the program was supporting the community and biodiversity.
Tree Plantation at Bangladesh	The Progress Apparels facility in Bangladesh had initiated Tree Plantation program 2021 organized by the HR, Admin & Compliance Team. In 2022, a total of 2200 trees planted.	The theme of tree plantation day was Plant for the Planet & the purpose was to encourage people to protect our planet with low carbon.
EGB Boiler /Incineration Boiler at Bangladesh	Progress Apparels (Bangladesh) Ltd has an internal biomass/incineration boiler that is being used to generate steam. This boiler is using approximately 95% of the solid waste generated by the facility as fuel to generate steam.	Using solid waste as fuel in a biomass/ incineration boiler can offer several benefits, including: reduction of waste, thus reducing the impact on the environment
Servo Type Sewing Machine at Bangladesh	Progress Apparels (Bangladesh) Ltd has used servo type motor instead of traditional clutch motor in all sewing machine.	These are more energy efficient, and quitter compared to traditional clutch motors.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Business Continuity and Disaster Recovery with respect to Information Security is covered by [PDS's IT Policy](#) and for other risks it is covered in the [Risk Management Policy](#).

IT related risks - The Business Continuity plan that considers information security requirements that shall be implemented and tested at least once per calendar year.

Other risks - PDS has also developed a Risk Management Policy which identifies the framework for risks faced by the entity, including financial, operational, sectoral, sustainability, information, cyber security risks or any other risks. PDS will ensure that the appropriate methodology, processes, and systems are in place to monitor, evaluate and mitigate these risks.

PDS has also developed a disaster recovery plan for its SAP Production infrastructure.



6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

PDS assesses its value chain partners for different environmental and social parameters. The manufacturing facilities in Bangladesh and Sri Lanka conduct audits of suppliers for environmental and social parameters on a yearly basis. There has not been any significant adverse impact to the environment from its value chain partners.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

PDS is affiliated to 2 industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Sustainable Apparel Coalition	International
2	UN Global Compact	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There were no adverse orders from regulatory authorities related to anti-competitive conduct by the entity.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
-					

There are no public policies advocated by the entity however, PDS is a member of the Sustainable Apparel Coalition and UN Global Compact.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

In the financial year 2022-23, there were no projects undertaken by PDS in India that required Social Impact Assessments.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

PDS has not undertaken any Rehabilitation and Resettlement (R&R) as none of its activities directly or indirectly required R&R.

3. Describe the mechanisms to receive and redress grievances of the community.

PDS has a Grievance Redressal Policy which details grievance redressal mechanism for all stakeholders. Various Stakeholders including members of communities can raise grievances through the NAVEX global platform which is an independent tool. The

grievances received directly go to a Disciplinary Committee appointed by the PDS board. The Committee has an established system and process in place to appropriately investigate, initiate action, and bring closure to such issues while ensuring the complainant does not face any form of retaliation.

Details of channels through which Stakeholders can register their complaints are :

Ethics Hotline- <https://pdsLtd.com/ethics-hotline/> and whistleblower@pdsLtd.com

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	1.87%	0.06%
Sourced directly from within the district and neighboring districts	-	-

Given PDS's global presence with operations across countries, the input materials are sourced domestically and globally based on customer requirement and specifications. The data in the above table represents purchase of input material from medium, small, micro enterprises registered in India.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

In the financial year 2022-23, there were no projects undertaken by PDS in India that required Social Impact Assessments.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

PDS does not have any CSR projects in designated aspirational districts identified by government bodies. PDS has undertaken CSR projects at Mallapur, Hyderabad (India) and Dhaka (Bangladesh).

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, PDS does not have any preferential procurement policy giving preference to purchase from suppliers comprising marginalized/ vulnerable groups.

(b) From which marginalised /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

There has been no intellectual properties rights owned or acquired by PDS in the current financial year, based on traditional knowledge

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

NA

**6. Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Promotion of education for underprivileged and orphaned children, and vocational training to their parents. Soham For Kids, Mallapur, Hyderabad, India.	211	100%
2	Promotion of education for underprivileged and orphaned children and vocational training in English, IT, sewing. Soham For All, Centre of HOPE, Dhaka, Bangladesh	365	100%

Soham for Kids, Mallapur, Hyderabad is a part of PDS Ltd's CSR initiative under section 135 of the Companies Act, 2013. The Company has in addition to this contributed to other CSR initiatives through its subsidiaries, refer to the community section in the Annual Report, page 46.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Given that PDS is a global business to business company, each vertical has a detailed processes and grievance redressal mechanism. All businesses have in place the required escalation mechanism in their specific country. Customers can reach out to the business heads/points of contact for any grievances. Apart from this, various Stakeholders including consumers can also raise grievances through the NAVEX global platform. PDS has in place a Grievance Redressal Policy for all Stakeholders

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	Turnover with respect to Category (A)	Total turnover (B)	As a percentage to total turnover (A/B*100)
Environmental and social parameters relevant to the product	-	-	-
Safe and responsible usage	-	-	-
Recycling and/or safe disposal	-	-	-

All products are sourced or manufactured as per the specifications of the brands/retailers and will include all applicable statutory parameters.

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	No complaints have been reported for FY 2022-23.	0	0	No complaints have been reported for FY 2021-22.
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

There have been no instances of product recall on account of safety issues.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, PDS has a detailed policy covering Information Security and [Cyber Security](#). This policy focuses on protection of sensitive information, compliance with regulations, maintaining and protecting customer data, reduce and mitigate risks from cyber-attacks and Business Continuity and Disaster Recovery Policy. PDS also ensures necessary processes are in place for Personal Data, Data Breaches, and Security Incidents, by establishing a dedicated Incident Response Process. PDS has also implemented a disaster recovery plan for its SAP production environment.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

PDS does not deal with delivery of essential services. There have been no instances of product recalls or penalty/action taken by regulatory authorities on safety of products/ services.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on PDS's products is available on website ([Link](#)). The Contact Us Link on the Company website provides the weblink to some of our key group companies.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

All products sourced or manufactured as per the specifications of the brands/retailers and will include all applicable statutory parameters.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

PDS does not deal with delivery of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

All products sourced or manufactured as per the specifications of the brands/retailers and will include all applicable statutory parameters.

5. Provide the following information relating to data breaches:

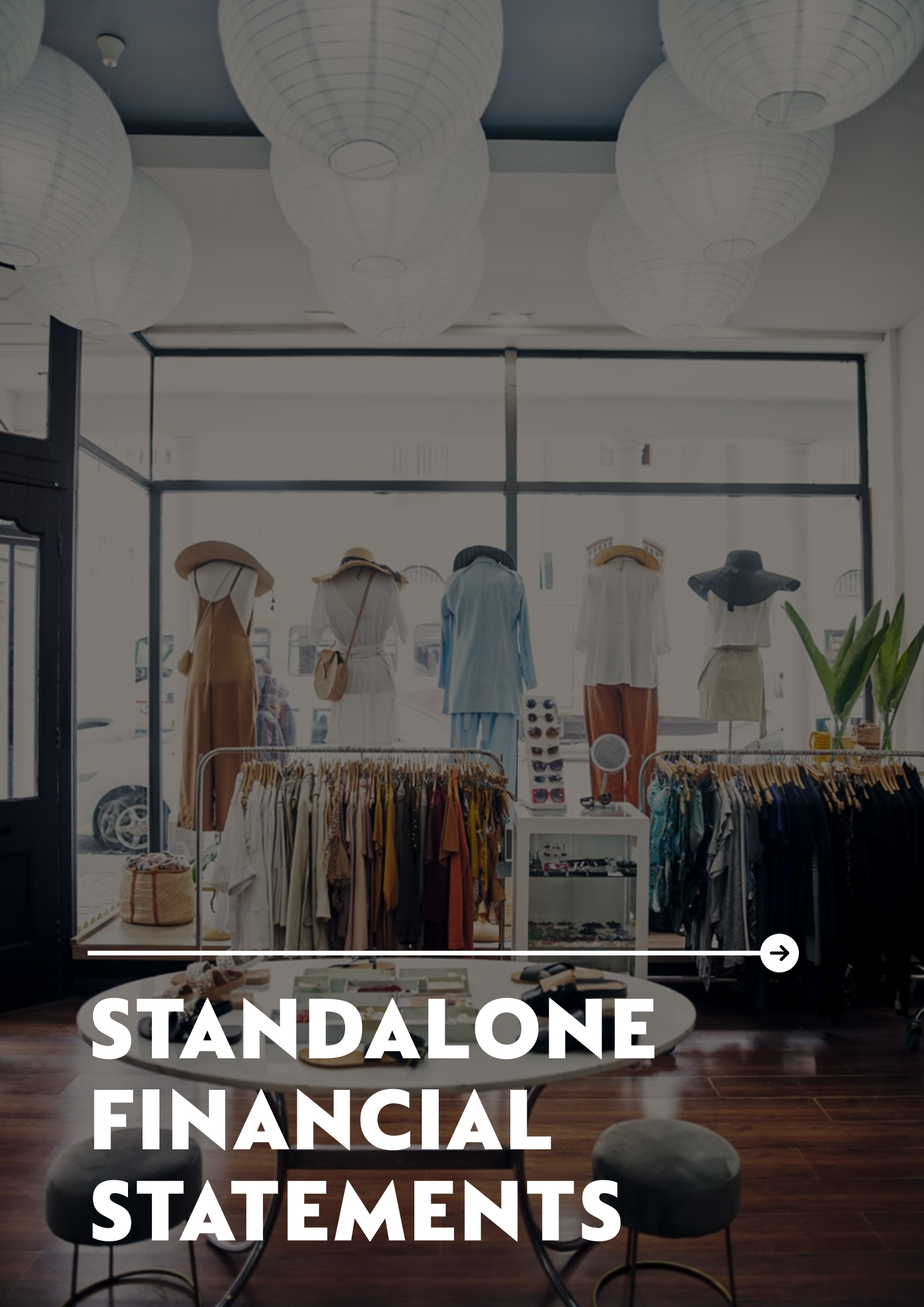
a. Number of instances of data breaches along-with impact

No incidents of data breaches have happened in the financial year 2022-2023.

b. Percentage of data breaches involving personally identifiable information of customers

No incidents of data breaches involving personal information of customers has happened in the financial year 2022-2023.

An Independent Limited Assurance Report on Identified Sustainability Indicators which has been assured by Deloitte Haskins & Sells LLP is available on page 311.



STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of

PDS Limited (formerly PDS Multinational Fashions Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of PDS Limited (formerly PDS Multinational Fashions Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. 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 ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. 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 financial statements as a whole, and in forming our

opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making



judgments and estimates that are reasonable and prudent; and 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.

8. In preparing the financial statements, the 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.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

10. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. 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.

Report on Other Legal and Regulatory Requirements

14. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II, wherein we have expressed an unmodified opinion; and
- g) 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, as detailed in note 41 of the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 34(c) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 34 (c) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

- v. The interim dividend declared and paid by the Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with Section 123 of the Act.

The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.

As stated in note 16 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed a final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act, to the extent it applies to declaration of dividend.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 23210122BGXASH3866

Mumbai

11 May 2023



Annexure I

referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of PDS Limited (formerly PDS Multinational Fashions Limited) on the standalone financial statements for the year ended 31 March 2023

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 report that:

- (i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5 to the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 17 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crore, by banks and/or financial institutions on the basis of security of current assets. Pursuant to the terms of the sanction letter, the Company is not required to file any quarterly return or statement with such banks or financial institutions.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted an loans or advances in the nature of loans during the year. However, the Company has made investment in 1 entity amounting to ₹ 21 crores and in our opinion, and according to the information and explanation given to us, such investments made are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loan or advance in the nature of loan which has fallen due during the year and was repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under Section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-Section (1) of Section 148 of the Act, in respect of Company's products/business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks/ financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanation given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of Section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its



directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(a) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

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

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 23210122BGXASH3866

Mumbai
11 May 2023

Annexure II

to the Independent Auditor's Report of even date to the members of PDS Limited (formerly PDS Multinational Fashions Limited) on the standalone financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of PDS Limited (formerly PDS Multinational Fashions Limited) ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating

effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 23210122BGXASH3866

Mumbai
11 May 2023

Standalone Balance Sheet

as at March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
I Non-current assets			
(a) Property, plant and equipment	4	1,275.15	1,226.21
(b) Investment property	5	2,476.01	2,318.45
(c) Intangible assets	6	515.01	14.79
(d) Intangible assets under development	7	-	11.04
(e) Financial assets			
(i) Investments	8	16,198.30	12,172.76
(f) Non-current tax assets (net)	10	-	21.30
Total non-current assets		20,464.47	15,764.55
Current assets			
(a) Financial assets			
(i) Trade receivables	12	10,598.60	2,844.23
(ii) Cash and cash equivalents	13	5,961.67	1,876.24
(iii) Bank balances other than (ii) above	14	3,301.15	4,301.15
(iv) Other financial assets	9	350.14	352.27
(c) Other current assets	11	994.91	502.82
Total current assets		21,206.47	9,876.71
Total assets		41,670.94	25,641.26
II Equity and liabilities			
Equity			
(a) Equity share capital	15	2,615.91	2,604.25
(b) Other equity	16	19,001.86	17,591.01
Total equity		21,617.77	20,195.26
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	5.99
(ii) Lease liabilities		255.46	183.12
(b) Provisions	19	175.74	147.64
(c) Other non-current liabilities	21	1.15	1.15
(d) Deferred tax liabilities (net)	22	193.74	231.70
Total non-current liabilities		626.09	569.60
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	1,097.34	871.02
(ii) Lease liabilities		124.24	97.59
(iii) Trade payables	20		
- Total outstanding dues to micro enterprises and small enterprises		15.93	7.90
- Total outstanding dues to parties other than micro enterprises and small enterprises		12,666.98	1,872.57
(iv) Other financial liabilities	18	1,770.95	591.93
(b) Other current liabilities	21	3,462.89	1,322.38
(c) Provisions	19	183.77	113.01
(c) Current tax liabilities		104.98	-
Total current liabilities		19,427.08	4,876.40
Total equity and liabilities		41,670.94	25,641.26
Summary of significant accounting policies and explanatory information	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

For And On Behalf Of Board Of Directors Of

PDS Limited (Formerly PDS Multinational Fashions Limited)**Aasheesh Arjun Singh**

Partner

Membership Number: 210122

Deepak Kumar Seth

Chairman & Non-Executive Director

Din : 00003021

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 11, 2023

Rahul Ahuja

Chief Financial Officer

Abhishekh Kanoi

Head Of Legal & Company Secretary

Membership No. FCS 9530

Mumbai, India

May 11, 2023



Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
I Revenue from operations	23	46,285.75	11,582.72
II Other income	24	6,912.86	6,185.88
III Total income (I+II)		53,198.61	17,768.60
IV Expenses			
(a) Purchases of stock-in-trade	25	33,830.14	5,399.34
(b) Employee benefits expense	26	5,054.76	3,661.55
(c) Finance costs	27	123.72	112.27
(d) Depreciation and amortization expense	28	569.95	323.02
(e) Other expenses	29	4295.26	1,256.14
Total expenses		43,873.83	10,752.32
V Profit before tax (III-IV)		9,324.78	7,016.28
VI Tax expenses			
(a) Current tax	31	710.53	252.08
(b) Deferred tax (credit)/charge		(27.79)	85.34
Total tax expense		682.74	337.42
VII Profit for the year (V-VI)		8,642.04	6,678.86
VIII Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Re-measurement (loss)/profit on defined benefit plans		(40.41)	22.14
(ii) Income tax on items that will not be reclassified to profit or loss		10.17	(5.57)
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax on items that will be reclassified to profit or loss		-	-
Other comprehensive (loss)/income for the year, net of tax		(30.24)	16.57
IX Total comprehensive income for the year (VII + VIII)		8,611.80	6,695.43
X Earnings per share: (face value of ₹ 2 per share)	30		
- Basic (₹)		6.62	5.13
- Diluted (₹)		6.50	5.07
Summary of significant accounting policies and explanatory information	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

FIRM'S REGISTRATION NUMBER: 001076N/N500013

For And On Behalf Of Board Of Directors Of

PDS Limited (Formerly PDS Multinational Fashions Limited)**Aasheesh Arjun Singh**

Partner

Membership Number: 210122

Deepak Kumar Seth

Chairman & Non-Executive Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company Secretary

Membership No. FCS 9530

Mumbai, India

May 11, 2023

Standalone Statement of changes in equity

for the year ended March 31, 2023

A. Equity share capital

(All amounts in ₹ lakhs, unless otherwise stated)

	Amount
Balance as at April 1, 2021	2,604.67
Treasury shares	(0.42)
Balance as at March 31, 2022	2,604.25
Fresh issue (Net of treasury shares)	11.66
Balance as at March 31, 2023	2,615.91

B. Other equity

	Reserve and surplus						Total Equity
	Capital Reserve	Retained earnings	Share Premium	Other comprehensive Income	Treasury Stock	Share options outstanding	
Balance as at April 01, 2021	8,078.07	4,895.78	-	17.60	-	-	12,991.45
Profit for the year	-	6,678.86	-	-	-	-	6,678.86
Other comprehensive Income, net of income tax	-	-	-	16.57	-	-	16.57
Share purchase through ESOP Trust (refer note 44)	-	-	-	-	(57.72)	-	(57.72)
Dividend paid	-	(4,102.36)	-	-	-	-	(4,102.36)
Employee stock compensation expense (refer note 44)	-	-	-	-	-	2,064.21	2,064.21
Balance as at March 31, 2022	8,078.07	7,472.28	-	34.17	(57.72)	2,064.21	17,591.01
Profit for the year	-	8,642.04	-	-	-	-	8,642.04
Other comprehensive loss, net of income tax	-	-	-	(30.24)	-	-	(30.24)
Share purchase through ESOP Trust (refer note 44)	-	-	-	-	(345.17)	-	(345.17)
Premium on issue of shares (refer note 16)	-	-	1,129.39	-	-	-	1,129.39
Dividend paid	-	(9,486.15)	-	-	-	-	(9,486.15)
Employee stock compensation expense (refer note 44)	-	-	-	-	-	1,500.98	1,500.98
Balance as at March 31, 2023	8,078.07	6,628.17	1,129.39	3.93	(402.89)	3,565.19	19,001.86

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

As per our report of even date attached

For **Walker Chandio & Co LLP**

Chartered Accountants

FIRM'S REGISTRATION NUMBER: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Mumbai, India

May 11, 2023

For And On Behalf Of Board Of Directors Of

PDS Limited (Formerly PDS Multinational Fashions Limited)**Deepak Kumar Seth**

Chairman & Non-Executive Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

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May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company Secretary

Membership No. FCS 9530



Standalone Statement of Statement of Cash Flow

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	9,324.78	7,016.28
Adjustments for:		
Depreciation and amortization expense	569.95	323.02
Finance costs	123.72	112.27
(Gain)/loss on sale of property, plant and equipment	(0.11)	4.39
Employee share compensation expense	477.99	981.67
Unrealized foreign exchange fluctuation gain	(136.62)	-
Dividend income	(6,615.74)	(5,725.78)
Interest income	(80.83)	(50.84)
Gain on financial assets measured at fair value through profit and loss	(44.82)	(308.20)
Operating profit before change in working capital	3,618.32	2,352.81
Movement in working capital:		
Change in trade payables and other current liabilities	12,859.24	1,140.22
Change in other current financial liabilities	1,179.02	347.01
Change in other non-current financial liabilities	-	(63.24)
Change in provisions	58.45	53.43
Change in trade receivables	(7,754.37)	(2,364.44)
Change in non-current financial assets	-	46.08
Change in other current assets	(649.30)	(138.36)
Change in other current financial assets	18.46	168.31
Change in other non-current assets	(0.02)	-
Cash generated from operations	9,329.80	1,541.82
Direct tax paid (net of refund received)	(584.25)	(236.77)
Net cash flow generated from operating activities (A)	8,745.55	1,305.05
Cash flows from investing activities		
Purchase of property, plant and equipment, capital work in progress and investment property	(894.58)	(395.11)
Loan to subsidiary	-	(350.00)
Acquisition of subsidiaries	(2,100.00)	(1.00)
Purchase of investments	(211.73)	(500.00)
Loan repayments by subsidiary	-	89.50
Proceeds from maturity of/(investment) in time deposits	1,000.00	(4,300.00)
Dividend received	6,615.74	5,725.78
Interest received	64.50	43.87
Net cash generated from in investing activities (B)	4,473.93	313.04

Standalone Statement of Statement of Cash Flow

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2023
Cash flows from financing activities		
Repayment of long term borrowings	(5.99)	(481.50)
Proceeds/(Repayment) of short term borrowings, net	226.32	571.02
Acquisition of own equity by a controlled trust	(347.39)	(58.14)
Issuance of share capital at premium	717.63	-
Interest paid on lease liabilities	(32.31)	(30.48)
Payment of principal portion of lease liabilities	(114.74)	(75.18)
Payment of dividend to shareholders	(9,486.16)	(4,102.36)
Interest paid on borrowings	(91.42)	(81.87)
Net cash (used in) financing activities (C)	(9,134.05)	(4,258.51)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	4,085.43	(2,640.43)
Cash and cash equivalents at the beginning of the year (refer note 13)	1,876.24	4,516.67
Cash and cash equivalent at the end of the year (refer note 13)	5,961.67	1,876.24
Components of cash and cash equivalents		
Cash on hand	-	-
With banks - on current account and deposits with banks	5,961.67	1,876.24
Cash and cash equivalent at the end of the year (refer note 13)	5,961.67	1,876.24

Summary of significant accounting policies and explanatory information

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Non cash disclosure

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at March 31, 2021	Cash flow		Non-cash	As at March 31, 2022
		Addition	Repayment	Others	
Borrowings	787.49	757.04	(667.52)	-	877.01
Interest accrued and due on borrowings	0.33	-	(81.87)	81.79	0.25
Lease liability	355.89	-	(105.66)	30.48	280.71
	1,143.71	757.04	(855.05)	112.27	1,157.97

Particulars	As at March 31, 2022	Cash flow		Non-cash	As at March 31, 2023
		Addition	Repayment	Others	
Borrowings	877.01	226.32	(5.99)	-	1,097.34
Interest accrued and due on borrowings	0.25	-	(91.41)	91.41	0.25
Lease liability	280.71	213.72	(147.04)	32.31	379.70
	1,157.97	440.05	(244.44)	123.72	1,477.29

Summary of significant accounting policies and explanatory information

3

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

FIRM'S REGISTRATION NUMBER: 001076N/N500013

For And On Behalf Of Board Of Directors Of

PDS Limited (Formerly PDS Multinational Fashions Limited)**Aasheesh Arjun Singh**

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Chief Executive Officer

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May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company Secretary

Membership No. FCS 9530



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 1: Corporate information

PDS Limited (Formerly PDS Multinational Fashions Limited) is a Public Limited Company (hereinafter referred as 'the Company') domiciled in India and has its registered office at Unit No.971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (East), Mumbai- 400 093 Maharashtra. The Company is engaged in the trading of ready to wear apparels, providing services to group companies engaged in the export of ready to wear apparels and sourcing & distribution of their products. The Company is also engaged in the business of holding, owning, leasing or licensing real estate. The Company has its primary listings on the BSE Limited and the National Stock Exchange of India Limited.

The standalone financial statements of the Company for the year ended March 31, 2023 were approved by the Board of Directors and authorized for issue on May 11, 2023.

Note 2: Statement of compliance

The Standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable and the guidelines issued by Securities and Exchange Board of India, to the extent applicable.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

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 relevant accounting policies mentioned. The financial statements are presented in ₹ and all values are rounded to the nearest Lakhs except where otherwise stated."

Going concern

The Board of Directors have considered the financial position of the Company at March 31, 2023 and the projected cash flows and financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course. The Board of Directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations."

Recent accounting pronouncement

The 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. On March 31 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from annual period beginning on or after April 1, 2023. Details of which are given below:

Ind AS 107 - Financial instrument - The amendment substitutes the paragraph 21 - while presenting a Financial Statement an entity discloses material accounting policy information. Information about the measurement basis (or bases) for financial instruments used in preparing the financial statements is expected to be material accounting policy information. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 1 - Presentation of financial statements - The standard requires the entities to disclose their material accounting policies rather than significant accounting policies, which forms the basis of making material judgements.

Ind AS 8 - Accounting policies, changes in accounting estimates and errors - The standard has introduced a definition of 'accounting estimates' and included appropriate amendments to help entities distinguish changes in accounting policies from change in accounting estimates.

Ind AS 12 - Income Taxes - The standard has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Group has evaluated the aforementioned amendments and there is no material impact on the standalone financial statements."

Note 3: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

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 standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Classification between investment properties and owner-occupied properties

The Company determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Company considers whether a property generates cash flows largely independently of the other assets held by the Company. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Company accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Estimates and underlying assumptions are reviewed at each balance sheet date. Such changes are reflected in the assumptions when they occur.

i) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the

Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

v) Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Company assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognized in the Statement of Profit and Loss.

vi) Uncertainty relating to the global health pandemic on Covid-19

In assessing the recoverability of receivables, goodwill, PPE, intangible assets, and certain investments, the



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Company has considered relevant internal business projections, cash flows, and external information available up to the date of approval of these standalone financial statements. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by Covid-19. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges. The impact of Covid-19 remains uncertain and may be different from what the Company has estimated as of the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

vi) Employee stock option plan

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The Company initially measures the cost of cash-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses a Black Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

vii) Provision for expected credit losses (ECL) on trade receivables

"The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type and customer type). The provision matrix is initially based on the Company's

historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic condition (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in note 12 to the standalone financial statements."

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current. "

Liabilities:

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current.

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

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

c) Property, plant and equipment (PPE) and Investment property

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. 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 within other income or expense (as applicable).

Subsequent Costs: The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Decommissioning Costs : The present value of expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation: Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the useful lives of assets as per Schedule II to the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortized over the lease term or the remaining useful life of the assets whichever is lower.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life
Furniture and fixtures	10 years
Office equipment's	5 years
Vehicles	8 years
Electrical installations and equipment's	10 years
Building	60 years
Computers	3 years

Freehold land is not depreciated.

Investment property

(i) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property comprises freehold land and building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company measures investment property using cost based measurement and the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.

(ii) Depreciation

Depreciation on Investment Property (except freehold land) is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013. Freehold land is not depreciated. (Refer table above)

d) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization: Intangible assets, with infinite lives, are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Company for their use. In case of the trade mark capitalized, the Company is amortizing it over period of 5 years from the date of capitalization. Specialized softwares are amortized over a period of 5 years or license period whichever is earlier.

e) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

borrowing of funds. 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 capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

f) Foreign currency transaction

Functional and presentation currency

The Company's standalone financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ in lakhs except where otherwise stated.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost are not retranslated.

g) Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Company will be entitled in exchange for

transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation"

(i) Rendering of services

Income from corporate and sourcing support services rendered to group companies are recognized as the services are rendered based on a cost plus mark-up in accordance with the terms of respective arrangements.

'Unbilled revenue' included in other financial assets represent revenue in excess of billings as of the Balance Sheet date. 'Unearned revenues' included in financial liabilities represent billing in excess of revenue recognized.

(ii) Sale of goods

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon shipment or delivery at the customer premises and on completion of performance obligation. Revenue is recognised at a transaction price allocated to the extent of performance obligation satisfied after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses or a reasonable estimate can be made.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Rental income

Rental income is recognized when services are rendered and same becomes chargeable. Service Income comprises amounts billed for leasing out the property and other support services rendered to entities in accordance with terms of agreements entered into with them.

Other income

- i) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- ii) Dividend income is recognized when the right to receive payment is established.
- iii) Any other income is recognized on an accrual basis.

Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. 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.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for termination of a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short term leases

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease. Leases in which the Company does not transfer



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substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Company allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. At the inception of a finance lease, the cost of the leased asset is capitalized at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalized finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

i) Employee's benefits

Short term employee benefits

All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages, bonus and ex-gratia etc. are recognized in Statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution plans and contributions paid / payable are recognized as an expense in the Statement of Profit and Loss

during the year in which the employee renders the related service.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end."

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities. Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the Statement of Profit and Loss. All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

Other long term benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/ losses, if any, are recognized immediately in the Statement of Profit and Loss.

j) Share based payment/Cash-settled share-based payments

The Company has equity-settled share-based remuneration plans for its employees. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting

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conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.”

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as employee benefits expense with a corresponding increase in liabilities, over the vesting period. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury stock. Own equity instruments that are reacquired (treasury stock) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

Where stock options are issued to employees of subsidiaries/ step down subsidiaries, and such subsidiary/ step down subsidiary does not have an obligation to settle the transaction, the transaction is treated as a parent's equity contribution to the subsidiary/ step down subsidiary and presented as 'deemed investment' under investment in subsidiaries.

k) Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed in the case of;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no

reliable estimate is possible.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

l) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

(a) Financial assets

(i) Initial recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(ii) Classification and subsequent measurement

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

- Financial asset carried at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

• Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect



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contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

- **Equity investment**

Investments representing equity interest in associates/ subsidiary are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and

payables, net of directly attributable transaction costs.

Subsequent measurement

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

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Income and Expense are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

m) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit

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losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve-months ECL.

n) Impairment of non-financial assets

"Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

o) 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:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability"

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized 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 recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

p) Taxes on income

Current income tax

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

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized 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.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognized amounts and there is an intention either to settle on a net basis, or to realize the asset and settle the



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liability simultaneously.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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.

q) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

s) Segment reporting

The Company has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision maker is considered to make strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Notes to the standalone financial statements

for the year ended March 31, 2023

Note 4 : Property, plant and equipment

	(All amounts in ₹ lakhs, unless otherwise stated)							
	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Electrical installations and equipments	Computers	Right to use assets	Total
Gross carrying value								
Balance as at April 1, 2021	425.95	59.22	101.33	41.66	797.24	76.77	396.81	1,898.98
Add: Additions during the year	68.49	-	85.58	47.30	13.37	25.75	-	240.49
Less: Disposals during the year	(8.40)	-	-	-	-	(1.49)	(0.18)	(10.07)
Balance as at March 31, 2022	486.04	59.22	186.91	88.96	810.61	101.03	396.63	2,129.41
Add: Additions during the year	89.67	-	-	0.84	72.81	47.97	213.72	425.01
Less: Disposals during the year	-	-	(70.51)	-	-	(0.70)	-	(71.21)
Balance as at March 31, 2023	575.71	59.22	116.40	89.80	883.42	148.30	610.35	2,483.21
Accumulated depreciation								
Balance as at April 01, 2021	161.08	37.23	10.42	24.01	305.60	48.17	42.59	629.10
Add: Depreciation charge for the year	49.85	4.17	20.59	12.90	78.70	15.55	95.99	277.75
Less: Disposals during the year	(3.22)	-	-	-	-	(0.44)	-	(3.65)
Balance as at March 31, 2022	207.71	41.40	31.01	36.91	384.30	63.28	138.58	903.20
Add: Depreciation charge for the year	55.41	4.15	14.29	18.40	81.74	22.77	118.72	315.48
Less: Disposals during the year	-	-	(10.41)	-	-	(0.20)	-	(10.61)
Balance as at March 31, 2023	263.12	45.55	34.89	55.31	466.04	85.85	257.30	1,208.06
Net carrying amount								
As at March 31, 2023	312.59	13.67	81.51	34.49	417.38	62.45	353.06	1,275.15
As at March 31, 2022	278.33	17.82	155.90	52.05	426.31	37.75	258.05	1,226.21



Notes to the standalone financial statements

for the year ended March 31, 2023

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Note 5 : Investment property

	Freehold land	Building	Total
A. Gross carrying amount			
Balance as at April 1, 2021	68.81	2,452.86	2,521.67
Add: Additions during the year	-	-	-
Balance as at March 31, 2022	68.81	2,452.86	2,521.67
Add: Additions during the year	-	202.08	202.08
Balance as at March 31, 2023	68.81	2,654.94	2,723.75
B. Accumulated depreciation			
Balance as at April 1, 2021	-	161.93	161.93
Add: Depreciation charge for the year	-	41.29	41.29
Balance as at March 31, 2022	-	203.22	203.22
Add: Depreciation charge for the year	-	44.53	44.53
Balance as at March 31, 2023	-	247.75	247.74
C. Net carrying amount			
As at March 31, 2023	68.81	2,407.19	2,476.01
As at March 31, 2022	68.81	2,249.64	2,318.45
a) Fair value			
As at March 31, 2023	3,806.25	1,961.86	5,768.11
As at March 31, 2022	3,806.25	1,961.86	5,768.11

b) Information regarding income and expenditure of investment property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from investment property	309.43	333.55
Direct operating expenses	125.51	184.66
Profit arising from investment property before depreciation	183.92	148.89
Less: Depreciation charge	158.49	153.12
Profit/(loss) arising from investment property	25.43	(4.23)

c) Minimum lease rent receivable: In respect of the property given on lease, the future minimum lease payments receivable for non-cancellable period is as under:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Not later than 1 year	49.71	103.45
Later than 1 year but not later than 5 years	70.42	-
Total	120.13	103.45

- d) The Company's investment property comprises property situated at Udyog Vihar, Gurugram, Haryana, India. The Management has determined that the investment property consists of two class of assets - Land and building - based on the nature, characteristics and risks of the property.
- e) The fair valuation of the said property is based on current prices in the active market for similar properties. The main input used are quantum, area, location, population, profile of surrounding developments, negotiations, connectivity and accessibility.
- f) The fair value of investment property is ₹ 5,768.11 (31 March 2022: ₹ 5,768.11) and the same has been determined by an external independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Fair valuation of investment property is based on the sales comparable method for land and depreciated replacement cost method for built up structure. The fair value measurement is categorized in Level 3 of fair value hierarchy. Market approach has been considered for carrying out the value of the land and building and building depreciation method is used to carry out the value of building.

Notes to the standalone financial statements

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Note 6 : Intangible assets

	Trade Marks	Computer Software	Total
Gross carrying amount			
Balance as at April 1, 2021	0.90	77.74	78.64
Add: Acquired/internally developed	-	6.65	6.65
Balance as at March 31, 2022	0.90	84.39	85.29
Add: Acquired/internally developed	-	710.74	710.74
Balance as at March 31, 2023	0.90	795.13	796.03
Amortization	-	-	-
Balance as at April 1, 2021	0.80	65.74	66.54
Add: Amortization charge for the year	0.10	3.86	3.96
Balance as at March 31, 2022	0.90	69.60	70.50
Add: Amortization charge for the year	-	210.52	210.52
Balance as at March 31, 2023	0.90	280.12	281.02
Net carrying value			
As at March 31, 2023	0.00	515.01	515.01
As at March 31, 2022	0.00	14.79	14.79

Note 7 : Intangible assets under development

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Intangible assets under development	-	11.04
Total	-	11.04

	As at March 31, 2022		
	1-2 years	2-3 years	Total
Projects in progress	1.96	9.08	11.04
Total	1.96	9.08	11.04

Movement in intangible assets under development

Particulars	Total
Balance as at April 1, 2021	9.08
Add: Additions during the year	1.96
Less: Capitalised during the year	-
Balance as at March 31, 2022	11.04
Add: Additions during the year	-
Less: Capitalised during the year	(11.04)
Balance as at March 31, 2023	-

Note 8 : Non-current investments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Investment in subsidiaries		
Unquoted (at cost)		
21,948,270 (March 31, 2022 :21,948,270) equity shares of Multinational Textiles Group Limited, Mauritius of USD 1 each fully paid up	10,050.25	10,050.25
10,409 (March 31, 2022 :NIL) equity shares of DBS Lifestyle Private Limited of ₹ 10 each fully paid up (refer note 'c' below)	2,100.00	-



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Particulars	Year ended March 31, 2023	Year ended March 31, 2022
27,500 (March 31, 2022 :27,500) equity shares of Technocian Fashions Private Limited of ₹ 10 each fully paid up	2.75	2.75
10,000 (March 31, 2022 :8,800) equity shares of Dizbi Private Limited of ₹ 10 each fully paid up (refer note 'b' below)	1.00	0.88
10,000 (March 31, 2022:10,000) equity shares of PDS Brand Private Limited of ₹ 10 each fully paid up	1.00	1.00
50,000 (March 31, 2022: 37,500) equity shares of Norlanka Brands Private Limited of ₹ 10 each fully paid up (refer note 'a' below)	45.97	3.75
Deemed Investment on account of grant of ESOP*	2,917.77	1,248.92
Total (A)	15,118.74	11,307.55
Investments at fair value through profit or loss		
Unquoted		
5,70,000 (March 31, 2022: 5,70,000) equity shares of Parc Designs Private Limited of ₹ 10 each fully paid up	57.00	57.00
Fireside Ventures Investment Fund III ("Fund") (refer note 'c' below)	41.98	-
Investment in WaterBridge Ventures - II Trust	980.58	808.20
Total (B)	1,079.56	865.21
Total (A+B)	16,198.30	12,172.76
Aggregate amount of quoted investments and market value	-	-
Aggregate amount of unquoted investments	16,198.30	12,172.76
Aggregate amount of impairment in value of investments	-	-
	16,198.30	12,172.76

Information about investments

Name of the Company, country of incorporation, principal activities	% of equity interest	
	Year ended March 31, 2023	Year ended March 31, 2022
Multinational Textile Group Limited, Mauritius, holding of investments and provision of consulting services	100.00%	100.00%
Technocian Fashions Private Limited, India, management services and sourcing support services	55.00%	55.00%
DIZBI Private Limited, India, information technology support services (refer note 'b' below)	100.00%	88.00%
Norlanka Brands Private Limited, India, manufacturing, trading, e-commerce business of readymade garments (refer note 'a' below)	100.00%	75.00%
Parc Design Private Limited, India, manufacturing of readymade garments	19.00%	19.00%
PDS Brand Private Limited	100.00%	100.00%
DBS Lifestyle Private Limited (refer note 'c' below)	51.00%	-

- (a) During the year, the Company has purchased 12,500 shares (Mar 31, 2022: 37,500 shares) of Norlanka Brands Private Limited.
- (b) During the year, the Company has purchased 1,200 shares (Mar 31, 2022: 3,400 shares) of Dizbi Private Limited at par
- (c) During the year, the Company has acquired 10,409 shares (Mar 31, 2022: Nil) of DBS Lifestyle Private Limited.
- (d) The Company has entered into a Capital commitment agreement where contribution has to be made to Fireside Ventures Investment Fund III ("Fund") and the contribution agreement has been executed between Orbis Trusteeship Services Private Limited (the "Trustee Company"), Fireside Ventures Advisory LLP (the "Investment Manager") and the Company (The "contributor")

* During March 31, 2022, Company had established share option plans that entitle key managerial personnel and senior employees of the Group to purchase shares in the Company. The employee stock option plan is designed to provide incentives to the employees of the Company, its subsidiaries and step down subsidiaries (collectively referred to as 'the Group') to deliver long-term returns.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

The Company has cumulatively granted 7,98,400 stock options (March 31, 2022: 6,53,400 stock options) to key managerial personnel and senior employees of the Group and has accounted for the same as deemed investment in its subsidiaries and step down subsidiaries.

The list of subsidiaries, step down subsidiaries, joint ventures and associates whose employees/directors have been granted stock options and their related cost is stated below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Techno Design GMBH	103.09	34.81
Norwest Industries Limited	322.36	91.25
Nor Lanka Manufacturing Limited	140.12	41.96
Spring Near East Manufacturing Company Limited	51.49	18.45
Clover collection Limited	33.24	4.03
Design Arc Asia Limited	24.03	8.61
Kleider Sourcing Hong Kong Limited	17.91	4.03
Krayons Sourcing Limited	68.19	56.73
Twins Asia Limited	22.44	8.05
Fareast Vogue Limited	-	9.22
PDS Far-east Limited	34.32	12.30
Styleberry Limited	9.01	9.22
Casa Collective Limited (Formerly known as Sourcing East West Limited)	34.32	12.30
Progress Manufacturing Group Limited	65.29	30.66
Green Apparel Industries Limited	56.46	49.91
Simple Approach Limited	769.38	382.42
Zamira Fashions Limited	102.18	36.62
Poeticgem International Limited	36.17	12.97
Grupo Sourcing Limited	28.04	10.07
Poeticgem Limited	738.50	353.97
Design Arc Limited	124.87	43.60
PDS Multinational FZCO	19.11	5.89
Spring Near East FZCO	-	3.54
Norlanka Brands Private Limited	6.79	2.38
PDS Far East USA	30.15	-
PDS Fashion Limited	58.91	-
Yellow Octopus EU Spa.ooo	15.47	-
DIZBI Private Limited	5.92	5.92
	2,917.76	1,248.92

Note 9 : Other financial assets

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current		
Unbilled revenue (refer note 33)	231.39	33.86
Security deposits (unsecured, considered good) (refer note 'a' below)	66.56	49.47
Deposits with original maturity of more than 12 months (refer note 'b' below)	1.00	1.00
Interest accrued but not due on fixed deposits	23.77	7.44
Loans to related party (refer note 33 and refer note 'c' below)		
- Considered good - unsecured	-	260.50
Dues from related party (refer note 33)	27.42	-
Total	350.14	352.27

- a) The Company has determined its security deposits are not in the nature of loans and accordingly have been classified as part of other financial assets.
- b) Fixed deposits with a carrying amount of ₹ 1.00 (March 31, 2022: ₹ 1.00) are pledged with the Government authorities.
- c) Loan receivable from Dizbi Private Limited as at 31st, March 2023 NIL (31st, March 2022- 9.8%) carries interest rate of 9.8% p.a.



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 10 : Tax assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Advance income tax, net of provision for income tax	-	21.30
Total	-	21.30

Note 11 : Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Balance with government authorities	536.24	280.60
Deferred payment asset	0.02	0.02
Prepaid expenses	259.87	22.96
Advances to employees (refer note 33)	128.74	37.32
Advances to suppliers	1.59	158.79
Advances recoverable in cash or in kind	40.90	-
Other advances	27.55	3.13
Total	994.91	502.82

Note 12 : Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
(a) Trade receivable considered good - secured	-	-
(b) Trade receivable considered good - unsecured	10,598.60	2,844.23
(c) Trade receivable which have significant increase in credit risk	-	-
(d) Trade receivable - credit impaired	-	-
	10,598.60	2,844.23
Less: Allowance for expected credit loss	-	-
Total	10,598.60	2,844.23

- a) The Company has no receivables which have significant increase in credit risk.
- b) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person
- c) Trade receivables due from related parties as at March 31, 2023 amounts to ₹ 23.97 (March 31, 2022: ₹ 71.31). (Refer note 33)
- d) Trade receivables are generally on terms of not more than 90 days.

Trade Receivable ageing schedule

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 6 months	10,238.65	2,786.72
6 months - 1 year	359.95	57.51
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	10,598.60	2,844.23

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 13 : Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
- Current account	5,961.67	1,876.24
Total	5,961.67	1,876.24

Note 14 : Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than 3 months but less than 12 months	3,300.00	4,300.00
Earmarked balances with bank	1.15	1.15
Total	3,301.15	4,301.15

Note 15 : Share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized		
14,00,00,000 (March 31, 2022: 14,00,00,000) equity shares of ₹ 2/- each*	2,800.00	2,800.00
	2,800.00	2,800.00
Issued, subscribed and paid up		
13,02,33,620 (March 31, 2022: 13,02,33,620) equity shares of ₹ 2/- each*	2,604.67	2,604.67
Add: Issued during the year #	13.88	-
Less : Treasury shares #	(2.64)	(0.42)
Total	2,615.91	2,604.25

a) Reconciliation of issued and subscribed share capital:

	No. of shares*	Amount
Balance as at April 1, 2021	13,02,33,620	2,604.67
Changes during the year	(21,225)	(0.42)
Balance as at March 31, 2022	13,02,12,395	2,604.25
Changes during the year #	5,83,100	11.66
Balance as at March 31, 2023	13,07,95,495	2,615.91

During the year ended March 31, 2023, Company has issued 6,94,100 equity shares (March 31, 2022 : NIL) the employees who has exercised stock option as per stock option plan 2021. Further, the Company has purchased 1,11,000 equity shares (March 31, 2022: 4,245 equity shares) through the ESOP trust.

b) The Company has not issued any bonus shares or any shares for consideration other than cash during five years immediately preceding March 31, 2023.

*Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on July 29, 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share.

c) Terms/ rights attached to equity shares:

- The Company has only one class of equity share having a par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation 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



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares*	Holding %	No. of shares*	Holding %
Mrs. Payal Seth	6,93,76,210	52.99	6,93,76,210	53.27
Mr. Deepak Seth	1,57,78,670	12.05	1,57,78,670	12.12
Mr. Sanjiv Dhiresbhai Shah	82,65,913	6.31	80,91,830	6.21

* The number of shares are given in absolute numbers.

e) Details of shareholding of Promoters:

Particulars	As at March 31, 2023		
	No. of shares*	% of total shares	% change during the year
Payal Seth	6,93,76,210	52.99%	-0.28%
Deepak Seth	1,57,78,670	12.05%	-0.07%
Pallak Seth	13,94,190	1.06%	-0.01%
Pulkit Seth	5	0.00%	-
Shefali Seth	180	0.00%	-
Pearl Global Industries Limited	2,49,995	0.19%	-
NIM International Commerce LLP	180	0.00%	-

Particulars	As at March 31, 2022		
	Number of shares	% of total shares	% change during the year
Payal Seth	6,93,76,210	53.27%	-
Deepak Seth	1,57,78,670	12.12%	-
Pallak Seth	13,94,190	1.07%	-
Pulkit Seth	5	0.00%	-
Shefali Seth	180	0.00%	-
Pearl Global Industries Limited	2,49,995	0.19%	-
NIM International Commerce LLP	180	0.00%	-

Note 16 : Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Surplus in the Statement of Profit and Loss	17,591.01	12,991.45
Add : Profit for the year	8,642.04	6,678.86
Share options outstanding (refer note (i) below)	1,500.98	2,064.21
Securities Premium (refer note (ii) below)	1,129.39	-
Dividend Paid	(9,486.15)	(4,102.36)
Treasury stock (refer note (iii) below)	(345.17)	(57.72)
Remeasurement of defined benefit plan, net of income tax (refer note (iv) below)	(30.24)	16.57
Balance as at the end of the year	19,001.86	17,591.01

Note : For details, refer 'the Statement of Changes in Equity'

- i) The fair value of equity-settled share based payment transactions is recognised in statement of profit and loss with corresponding credit to stock option outstanding account.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

- ii) During the year, Company has issued equity shares to its employees against employee stock options the excess of grant price over face value and stock options reserve related to equity shares issued had been transferred to Securities Premium account
- iii) Treasury shares are the shares purchased by the controlled trust from the external market for the benefits of employees.
- iv) This represents the cumulative actuarial gains and losses arising on the revaluation of employee benefits measured at fair value through other comprehensive income that have been recognized in other comprehensive income.

Details of dividend distributions proposed:

Particulars	As at March 31, 2023	As at March 31, 2022
Proposed dividend on equity shares:		
Proposed dividend : ₹2.60/- per equity share of ₹ 2/- each (March 31, 2022: ₹4.77/- per equity share of ₹ 2/- each)	3,400.68	6,223.67
Total proposed dividend on equity shares	3,400.68	6,223.67

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and had not been included as a liability in these standalone financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

Note 17 : Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Secured loan		
- Vehicle loan from bank	-	5.99
Total (A)	-	5.99
Current		
Secured loans		
- From Banks	350.00	414.16
- Bank Overdraft	125.96	1.72
- Vehicle loan from bank	4.78	4.78
Import loan	616.60	450.36
Total (B)	1,097.34	871.02
Total (A+B)	1,097.34	877.01

- a) For interest rate and liquidity risk related disclosures, refer note 37.

b) The nature of security for the loans are :

- (i) Vehicle loan
 - Vehicle loan of ₹27.00 taken by the Company, from Axis Bank, during the year ended March 31, 2019 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 8.80% per annum (March 31, 2022: 8.80% per annum). The loan is repayable in 60 monthly instalments.

c) In case of term loans from bank, the terms are as under: -

- (i) Short term loan of ₹350.00 (March 31, 2022: ₹ 300.00) taken by the Company is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 120 days and it carries rate of interest of 10.25% per annum (March 31, 2022 - 7.50% per annum).
- (ii) Bank overdraft limit of ₹350.00 (March 31, 2022: Nil) taken by the Company from Axis Bank is guaranteed by lien marked on the fixed deposit. The tenor of the loan is 12 months and it carries rate of interest of 9.25% per annum (March 31, 2022 - Nil).
- (iii) Import loan facility of ₹2,000.00 (March 31, 2022: ₹1,500.00) taken by the Company is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 180 days and it carries rate of interest mutually agreed upon and linked to prevalent Bank MCLR.



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 18 : Other financial liabilities

	As at March 31, 2023	As at March 31, 2022
Current		
Security deposit (refer to note 'a' below) (refer note 33)	83.36	113.91
Employee dues (refer note 33)	362.85	158.13
Share based payment liability	386.71	166.38
Dues to related party (refer note 33)	937.78	153.25
Interest accrued but not due on borrowings		
- From bank	0.25	0.25
Total	1,770.95	591.93

- a) The Company has determined that its security deposits are not in the nature of borrowings and accordingly have been classified as part of other financial liabilities.

Note 19 : Provisions

	As at March 31, 2023	As at March 31, 2022
Non-current		
- Gratuity (refer note 32)	175.74	147.64
Total (A)	175.74	147.64
Current		
- Compensated absences	181.33	109.00
- Gratuity (refer note 32)	2.44	4.01
Total (B)	183.77	113.01
Total (A+B)	359.51	260.65

Note 20 : Trade payables

	As at March 31, 2023	As at March 31, 2022
- Outstanding dues to Micro Enterprises and Small Enterprises (refer note 'b' & 'd' below)	15.93	7.90
- Others (refer note 33)	12,666.98	1,872.57
Total	12,682.91	1,880.47

- a) Trade payables are non-interest bearing and are normally settled on 60-day terms, except for Micro and Small Enterprises (if any) which are settled within 45 days.
- b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 and as certified by the management, the amount due to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

- the principal amount (March 31, 2023: ₹ 15.93, March 31, 2022: ₹ 7.90) and the interest (March 31, 2023: Nil, March 31, 2022: Nil) due thereon remaining unpaid to any supplier at the end of each accounting year;	15.93	7.90
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

- the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- c) The amount does not include any amount due to be transferred to Investor Protection and Education fund.
- d) Disclosure of payable to vendors as defined under the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

Trade Payable ageing schedule

Particulars	As at March 31, 2023				Total
	Accrued liabilities	Less than 1 year	1-2 years	More than 3 years	
Trade Payable					
MSME	-	15.93	-	-	15.93
Others	508.15	12,099.78	59.05	-	12,666.98
Total	508.15	12,115.71	59.05	-	12,682.91

Particulars	As at March 31, 2022				
	Number of shares	% of total shares	% change during the year	% change during the year	% change during the year
Trade Payable					
MSME	-	7.90	-	-	7.90
Others	195.85	1,665.87	10.85	-	1,872.57
Total	195.85	1,673.77	10.85	-	1,880.47

Note 21 : Other liabilities

	As at March 31, 2023	As at March 31, 2022
Non-current		
Others	1.15	1.15
Total (A)	1.15	1.15
Current		
Deferred income on security deposit received	48.17	60.59
Statutory dues	143.74	117.22
Advance from customers (refer note 33)	3,270.98	1,144.57
Total (B)	3,462.89	1,322.38
Total (A+B)	3,464.04	1,323.53



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 22 : Deferred tax

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	108.54	123.14
Deferred tax liabilities	302.27	354.84
Total deferred tax liabilities (net)	(193.74)	(231.70)

Movement in deferred tax liabilities (net)

	As at April 01, 2022	Recognized in Statement of Profit and Loss	Recognized in Statement of Other Compre- hensive income	As at March 31, 2023
Deferred tax assets relates to the following:				
Provision for employee benefits	37.17	30.44	10.17	77.78
Deferred income on security deposit received	15.32	(30.73)	-	(15.41)
Lease liability	70.65	(24.48)		46.17
	123.14	(24.77)	10.17	108.54
Deferred tax liability relates to the following:				
Property, plant and equipment	194.87	(11.84)	-	183.03
Others	159.97	(40.72)	-	119.25
	354.84	(52.56)	-	302.27
Total deferred tax assets/(liabilities) (net)	(231.70)	27.79	10.17	(193.74)

	As at April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Statement of Other Compre- hensive Income	As at March 31, 2022
Deferred tax assets relates to the following:				
Provision for employee benefits	57.59	(14.85)	(5.57)	37.17
Deferred income on security deposit received	18.10	(2.78)	-	15.32
Others	-	-	-	-
Lease liability	23.82	46.82	-	70.65
	99.51	29.19	(5.57)	123.14
Deferred tax liability relates to the following:				
Property, plant and equipment	197.73	(2.86)	-	194.87
Others	42.57	117.41	-	159.97
	240.30	114.54	-	354.84
Total deferred tax assets/(liabilities) (net)	(140.79)	(85.35)	(5.57)	(231.70)

During the year ended March 31, 2020, the Group had decided to exercise the option permitted under Section 115BBA of the Indian Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. The Company has recognised provision for income tax and deferred tax for the years ended March 31, 2022 and March 31, 2023, on the basis of the rate prescribed in the said section.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 23 : Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of services		
- Corporate and sourcing support services (refer note 33)	7,655.27	4,674.24
Sale of goods	38,321.05	6,574.93
Other operating income		
- Rental income (refer note 33)	309.43	333.55
Total	46,285.75	11,582.72

Note 24 : Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
- on fixed deposits	76.56	35.50
- on loan to related party (refer note 33)	4.27	15.35
Unwinding of discount on deposits	3.05	2.42
Foreign exchange fluctuation (net)	136.62	-
Profit on sale of property, plant and equipment	4.66	-
Export incentives	-	82.72
Dividend from subsidiaries (refer note 33)	6,615.74	5,725.78
Gain on fair revaluation of investment	44.82	308.20
Miscellaneous income	27.14	15.91
Total	6,912.86	6,185.88

Note 25 : Purchase of stock in trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of stock-in-trade (refer note 33)	33,830.14	5,399.34
Total	33,830.14	5,399.34

Note 26 : Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus (refer note 33)	4,306.86	2,522.23
Compensated absences	95.79	54.25
Contribution to provident and other fund (refer note 32)	91.10	37.70
Gratuity expense (refer note 32)	57.20	54.10
Staff welfare expenses	25.82	11.60
Employee share compensation expense (refer note 44)	477.99	981.67
Total	5,054.76	3,661.55



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 27 : Finance cost

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense		
- on bank loans	63.05	33.04
- on unwinding of discount on security deposit received	11.22	11.49
- on loan from related party (refer note 33)	-	22.98
- on bank overdraft	16.43	8.20
- on vehicle loan	0.71	6.08
- on lease obligation	32.31	30.48
Total	123.72	112.27

Note 28 : Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property plant and equipment	196.18	181.77
Depreciation of investment property	44.53	41.29
Amortization of intangible assets	210.52	3.96
Depreciation on right to use of assets	118.72	95.99
Total	569.95	323.02

Note 29 : Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Electricity charges	46.08	56.97
Rent	0.37	0.25
Rates and taxes	24.47	27.03
Insurance	129.09	35.41
Repair and maintenance		
- Building	41.12	18.25
- Others	44.37	32.31
Recruitment expense	53.76	19.31
Security expenses	19.05	19.52
Sampling and designing	47.35	11.81
Advertisement and business promotion	46.55	42.41
SAP expenses (Please refer note 33)	384.50	10.22
Legal and professional charges	532.80	274.70
Postage and courier	80.91	58.69
Commission and brokerage (Please refer note 33)	1,976.12	205.03
Travelling and conveyance	362.77	115.31
Communication costs	18.20	15.34
Printing and stationery	22.69	18.50
Freight cost	148.51	120.12
Bank charges	24.89	16.18
License fees	134.21	42.13
Auditor's remuneration (refer note 'a' below)	65.27	49.74

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Foreign exchange fluctuation (net)	-	8.90
Loss on sale of property, plant and equipment	4.54	4.39
Director sitting fees (refer note 33)	-	16.00
Corporate social responsibility expenses	15.16	7.90
Miscellaneous expenses	72.51	29.69
Total	4,295.26	1,256.14

a) Details of payment made to auditors is as follows: (excluding taxes)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As auditor:		
- Statutory audit fee	24.20	20.00
- Limited review Fee	33.00	27.00
- Tax audit fee	1.10	1.00
- Reimbursement of expenses	6.97	1.74
Total	65.27	49.74

Note 30 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year whereas diluted earnings per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti- dilutive.

Particulars	As at March 31, 2023	As at March 31, 2022
Profit attributable to the equity holders	8,642.04	6,678.86
Weighted average number of equity shares for basic EPS*	13,05,31,747	13,02,24,320
Basic earnings per share(in ₹) (face value ₹ 2/- per share)	6.62	5.13
Profit attributable to the equity holders	8,642.04	6,678.86
Weighted average number of equity shares for diluted EPS*	13,29,60,614	13,19,67,870
Diluted earnings per share(in ₹) (face value ₹ 2/- per share)	6.50	5.07

*Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on 29 July 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share. During the year, Company has restated the EPS accordingly.

Note 31: Income tax

Income tax expense in the Statement of Profit and Loss

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2023 are:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Tax expense:		
a) Current tax	710.53	252.08
c) Deferred tax (credit)/charge	(27.79)	85.34
Income tax expense reported in the Statement of Profit and Loss	682.74	337.42



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for March 31, 2022 and March 31, 2023

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	9,324.78	7,016.26
At Company's statutory income tax rate of 25.168% (March 31, 2021: 25.168%)	2,346.87	1,765.85
Tax impact on permanent difference on dividend income*	(1,665.05)	(1,441.06)
Others	0.92	12.63
At the effective income tax rate	682.74	337.42
Income tax recognized in other comprehensive income		
Deferred tax related to items recognized in OCI during the year:		
Net loss/(gain) on remeasurements of defined benefit plans	10.17	(5.57)
Net amount charged to OCI	10.17	(5.57)

*During the year the Company has received the dividend of ₹ 6,615.74 (March 31, 2022 ₹ 5,725.78) from its subsidiaries, which the Company has set aside for the purpose of distributions of dividend to the shareholders of the company. Accordingly, the Company is eligible for the deduction as prescribed under Section 80M of The Income Tax Act, 1961.

Note 32 : Employee benefit plans

a) Defined contribution plans

The Company makes contribution towards Employees Provident Fund and Employee's State Insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized the following amounts in the Statement of Profit and Loss under Company's contribution to defined contribution plans.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution to provident fund/ pension fund	91.08	37.68
Employer's contribution to employee state insurance	0.02	0.02
Total	91.10	37.70

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected unit credit method" was carried out, through which the Company is able to determine the present value of obligations. "Projected unit credit method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

i) Gratuity scheme

The Company has defined benefit gratuity plan. Gratuity is calculated as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

- c) The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and amounts recognized in the Balance Sheet for the defined benefit plan (viz. gratuity). These have been provided on accrual basis, based on year end actuarial valuation.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Change in benefit obligation		
1 Opening defined benefit obligation	151.65	135.41
2 Acquisition/(transfer) adjustment	5.92	-
3 Add: Interest cost	10.41	9.21
4 Add: Current service cost	46.79	44.89
5 Add: Past Service cost	-	-
6 Less: Benefits paid	(76.99)	(15.72)
7 Add: Actuarial loss	40.41	(22.14)
Present value of obligation as at the end of the year	178.19	151.65

- d) The Company expects to contribute ₹86.01 during the financial year 2023-2024.

- e) The following tables summarise the net benefit expense recognized in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Service cost	46.79	44.89
Interest cost	10.41	9.21
Components of defined benefit costs recognized in statement of profit and loss	57.20	54.10
Actuarial losses on defined benefit plans	40.41	(22.14)
Components of defined benefit costs recognized in other comprehensive income	40.41	(22.14)
Total	97.61	31.96

- f) Bifurcation of actuarial loss on gratuity:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement due to:		
Effect of change in financial assumptions	(2.86)	5.46
Effect of experience adjustment	(37.55)	16.68
Total amount recognized in other comprehensive income	(40.41)	22.14

- g) Principal actuarial assumptions at the Balance Sheet date are as follows::

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Economic assumptions		
1) Discount rate	7.38%	7.20%
2) Future salary growth rate	5.50%	5.50%
Demographic assumptions		
1) Retirement age	58 years	58 years
2) Mortality rate	Indian Assured Lives Mortality (2012-14) (modified) ultimate	Indian Assured Lives Mortality (2012-14) (modified) ultimate
3) Employee turnover / attrition rate		



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Ages up to 30	3.00%	3.00%
Ages from 31-44	2.00%	2.00%
Above 44	1.00%	1.00%

h) Net liabilities recognized in the Balance Sheet for benefit obligation:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Present value of obligation	178.19	151.65
Net liability	178.19	151.65

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Impact on liability	
A. Discount rate	(9.06)	(6.66)
0.5% increase in discount rate	9.79	7.18
0.5% decrease in discount rate		
B. Salary escalation rate		
0.5% increase in salary escalation rate	8.97	6.93
0.5% decrease in salary escalation rate	(8.65)	(6.54)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to morality and withdrawals are not expected to be significant.

j) Description of Risk Exposures:

Salary increase	Actual salary increase will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Mortality and disability	Actual details and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawals rates at subsequent valuations can impact defined benefit liability.

k) The weighted average duration of the defined obligation as at March 31, 2023 on an average is 15.83 years (March 31, 2022: 15.72 years)

l) Maturity profile of defined benefit obligation is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1 year	6.46	4.00
2 to 6 years	40.26	38.09
More than 6 years	131.46	109.55

m) The estimates of future salary increases considered in actuarial valuation take account of factors, such as supply and demand in the employment market.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 33 : Related party disclosures

a) List of related parties

i) Parties where control exists:

Name of related party	Nature of relationship
Technocian Fashions Private Limited	Subsidiary Companies
DBS Lifestyle India Private Limited***	
Norlanka Brands Private Limited	Wholly owned subsidiary Company
DIZBI Private Limited	
PDS Brands Private Limited**	
Multinational Textile Group Limited	
Design Arc FZCO	
Sourcing Solutions Limited	Step down subsidiary Companies
Spring Near East FZCO	
Kleider Sourcing FZCO	
PG Capital FZE**	
Twins Asia FZCO	
Poeticgem International FZCO	
PDS Multinational FZCO	
Clover Collections FZCO	
Techno Design HK Limited	
Techno Design USA LLC	
Progress Manufacturing Group Limited	
Progress Apparels (Bangladesh) Limited	
Green Apparel Industries Limited	
Green Smart Shirts Limited	
PDS Asia Star Corporation Limited	
PDS Trading (Shanghai) Company Limited	
Simple Approach Limited	
Simple Approach (Canada) Ltd (Formerly known as Poeticgem Canada Limited)	
Poeticgem International Limited	
Kindred Fashions Limited	
Zamira Fashions Limited	
Zamira Fashions Limited Zhongshan	
PDS Brand manufacturing Limited((Formerly known as 6Degrees Manufacturing Limited)	
PG Group Limited	
PG Home Group Limited	
PG Shanghai Manufacturer Co. Ltd	
PG Home Group SPA	
Poetic Brands Limited	
Poeticgem Limited	
Techno Design GmBH	
Norwest Industries Limited	
PDS Smart Fabric Tech Limited (Formerly known as Funky Brands Company Limited and Full House Manufacturing Limited and Nor Delhi Manufacturing Limited)	
PDS Smart Fabric Tech (UK) Limited	
Casa Forma Limited	
PDS Sourcing Limited (Formerly known as Global Textiles Group Limited)	



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Name of related party	Nature of relationship
Multinational OSG Services Bangladesh Private Limited	
360 Notch Limited (Formerly known as PoeticGem Australia Limited; GEM Australia Manufacturing Company Ltd)	
Krayons Sourcing Limited (Formerly known as Sourcing Solutions HK Limited)	
Design Arc Asia Limited (Formerly known as Design Arc Limited / NOR France Manufacturing Co. Ltd.)	
Nor Lanka Manufacturing Limited	
Design Arc Europe Limited (Formerly known as Nor Europe Manufacturing Co. Limited)	
Kleider Sourcing Hong Kong Limited	
Kleider Sourcing Limited, Bangladesh	
Rising Asia Star Hong Kong Co., Limited (Formerly known as Techno Manufacturing Limited / Sino West Manufacturing Co Ltd)	
PDS Tailoring Limited (Formerly known as Nor India Manufacturing Company Limited)	
Spring Near East Manufacturing Company Limited	
Clover Collections Limited (Formerly known as PDS Manufacturing Limited / Designed and Sourced Limited)	
FX Import Company Limited	
Poetic Knitwear Limited	
Pacific Logistics Limited	
Nor Lanka Colombo Manufacturing Limited	
Nor Europe SPA	
PDS Fashion USA Limited ((Formerly known as Pro Trusted Med Tech Limited and FX Import Hong Kong Limited)	
PDS Ventures Limited (Formerly known as MultiTech Venture Limited) (Mauritius)	
Grupo Sourcing Limited	
JJ Star Industrial Limited	
Twins Asia Limited	
Nor Lanka Progress (Private) Limited	
Blueprint Design Limited	
Design Arc UK Limited	
Grupo Sourcing Limited, Bangladesh	
Fareast Vogue Limited	
PDS Far-east Limited	
Kindred Brands Limited (Formerly known as NW Far-east Limited)	
Styleberry Limited	
PDS Global Investments Limited	
PDS Far East USA, Inc.	
PDS Fashion Limited	Step down subsidiary Companies
Apex Black Limited (Formerly known as Fabric & Trims Limited)	
Casa Collective Limited (Formerly known as Sourcing East West Limited)	
Smart Notch (Shanghai) Limited	
Jcraft Array Limited	
Recovered Clothing Limited	
PDS Ventures Limited (Formerly Smart Notch Industrial Limited)	
Techno Sourcing BD Limited (Formerly known as KIK Service Unit Limited)	
Lillyandsid Limited	
Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited)	
Spring Design London Limited**	

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Name of related party	Nature of relationship
Brand Collective Corporation Limited**	
S.O.T Garments India Private Limited**	
Simple Approach Bangladesh Private Limited***	
Suri Overseas Private Limited***	
S.Oliver Fashion India Private Limited***	
Sunny Up Limited***	
PDS Fashions Hong Kong Limited***	
PDS Sourcing Hong Kong Limited***	
PDS Design Services Limited***	
PDS Lifestyle Limited***	
SKOPE Apparels FZCO***	
Infinity Fashion FZCO***	
PDS Logistics FZCO***	
PDS Sourcing FZCO***	
Collaborative Sourcing Services FZCO***	
Lily And Lionel London Limited***	
PG Group SPA***	
Casa Collective Sourcing Limited***	
Design Arc Brands Limited***	
PDS Global Procurement Service FZCO***	
PDS Brand Manufacturing FZCO**	
PDS Manufacturing Limited	

ii) Party under common control where transactions have taken place:

Name of related party	Nature of relationship
Pearl Global Industries Limited	Enterprise over which KMP exercise control and significant influence.

iii) Other related party where transactions have taken place:

Name of related party	Nature of relationship
Digital Ecom Techno Private Limited	Joint venture

iv) Controlled trust

Name of related party	Nature of relationship
PDS Multinational Fashions ESOP Trust	Controlled trust



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Name of related party	Nature of relationship
Mrs. Payal Seth (Director)^	Key managerial personnel
Mr. Deepak Kumar Seth (Director)	
Mr. Pallak Seth (Executive Director)##	
Mr. Ashok Kumar Sanghi (Independent Director)^^	
Mr. Ashutosh Prabhudas Bhupatkar (Independent Director)^^	
Ms. Saraswathy Venkateswaran (Independent Director)^^	
Mr. Parth Gandhi (Non Executive-Non Independent Director)^^	
Mr. Nishant Parikh (Non Executive -Independent Director)^^	
Mr. Mungo Park (Non Executive -Independent Director)^^	
Mrs. Yael Gairola (Non Executive -Independent Director)^^	
Mr. Robert Sinclair (Non Executive- Independent Director)^^	
Mr. Ashok Kumar Chhabra (Independent Director)^^	
Mr. BG Srinivas (Additional Non-Executive & Independent Director)^^	
Mr. Sanjay Jain (Chief Executive Officer)	
Mr. Ashish Gupta (Chief Financial Officer)#	
Mr. Rahul Ahuja (Chief Financial Officer)#	
Mr. Abhishekh Kanoi (Head of Legal & Company Secretary)	

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
Multinational Textiles Group Limited	Wholly owned subsidiary company	Management & support Service income	6,482.19	3,810.93
		Dividend income	6,511.20	5,672.70
Poeticgem International Limited	Step down subsidiary company	Service income	114.70	89.19
Design Arc Asia Limited	Step down Subsidiary company	Service income	508.20	569.61
Pearl Global Industries Limited	Enterprises owned or significantly influenced by KMP or their relatives	Interest expense	-	22.98
Technocian Fashions Private Limited	Subsidiary company	Rental income/ other charges	114.70	84.11
		Security Deposit received	16.40	16.40
		Dividend income	103.17	53.07
DIZBI Private Limited	Subsidiary company	Purchase of Software and Intangible Assets	351.68	-
		IT Support Service	-	63.33
		Interest Income	4.27	15.35
		Loan Given	-	350.00
Digital Ecom Techno Private Limited	Joint venture	Rental income	0.12	0.12
Norlanka Brands Private Limited	Step down subsidiary company	Rental Income	15.20	1.72
Green Smart Shirts Limited	Step down subsidiary company	Purchase of goods	14.70	139.73

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
Krayon Sourcing Limited	Step down subsidiary company	Sourcing Commission expense	72.25	81.13
Styleberry Limited	Step down subsidiary company		41.70	34.58
Spring Near East Manufacturing Company Limited	Step down Subsidiary company		132.10	-
Dessign Arc UK Limited	Step down Subsidiary company		796.60	-
Twins Asia Limited	Step down Subsidiary company		561.01	-
Jcraft Array Limited	Step down subsidiary company		41.28	37.53
Norlanka Manufacturing Limited	Step down Subsidiary company	Rental Income	2.00	0.75
Twins Asia Limited	Step down Subsidiary company	Purchase of goods	3,949.91	-
PDS Fashion Limited	Step down Subsidiary company	Support service	285.30	-
Mr. Ashok Kumar Sanghi	Key managerial personnel	Director sitting fees	-	3.00
Mr. Ashutosh Prabhudas Bhupatkar	Key managerial personnel		-	4.00
Mr. Ashok Kumar Chhabra	Key managerial personnel		-	3.00
Ms. Saraswathy Venkateswaran	Key managerial personnel		-	6.00
Mr. Sanjay Jain	Key managerial personnel	Salary	699.78	324.78
Mr. Ashish Gupta	Key managerial personnel		166.74	105.85
Mr. Rahul Ahuja	Key managerial personnel		81.65	-
Mr. Abhishekh Kanoi	Key managerial personnel		98.28	61.45
Mr. Ashok Kumar Chhabra	Key managerial personnel	Employee stock compensation expense	13.08	3.74
Mr. Sanjay Jain	Key managerial personnel		466.21	748.93
Mr. Rahul Ahuja	Key managerial personnel		28.16	-
Mr. Ashish Gupta	Key managerial personnel		40.52	24.67
Mr. Abhishekh Kanoi	Key managerial personnel		68.45	12.33
Mr. Ashok Kumar Sanghi	Key managerial personnel		26.38	3.74
Mr. Parth Gandhi	Key managerial personnel		90.27	52.48



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

c) Year end payable balances of related parties

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
Multinational Textile Group Limited	Wholly owned subsidiary company	Advance from customer	3,412.78	1,144.57
Technocian Fashions Private Limited	Subsidiary company	Security deposit	42.27	42.27
Green Smart Shirts Limited	Step down subsidiary company	Trade payable	27.41	76.29
Krayon Sourcing Limited	Step down subsidiary company	Due to Related Parties	169.41	81.13
Styleberry Limited	Step down subsidiary company	Due to Related Parties	85.62	34.58
Twins Asia Limited	Step down subsidiary company	Trade payable	1,683.66	-
Twins Asia Limited	Step down subsidiary company	Due to Related Parties	107.38	-
Jcraft Array Limited	Step down subsidiary company	Due to Related Parties	86.49	37.53
Spring Near East Manufacturing Company Limited	Step down subsidiary company	Due to Related Parties	14.24	0.75
PDS Fashion Limited	Step down subsidiary company	Due to Related Parties	3.14	-
Design Arc UK	Step down subsidiary company	Due to Related Parties	132.50	-
DIZBI Private Limited	Subsidiary company	Towards SAP Service	-	39.81
Mr. Abhishekh Kanoi	Key managerial personnel	Salary payable	4.70	3.91
Mr. Rahul Ahuja	Key managerial personnel		6.28	-
Mr. Ashish Gupta	Key managerial personnel		6.72	5.39
Mr. Sanjay Jain	Key managerial personnel		19.48	20.02

d) Year end receivable balances of related parties

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
Technocian Fashions Private Limited	Subsidiary company	Accounts receivable	1.29	1.36
Digital Ecom Techno Private Limited	Joint venture	Accounts receivable	-	0.05
Digital Ecom Techno Private Limited	Step down subsidiary company	Accounts receivable	4.92	-
Poeticgem International Limited	Step down subsidiary company	Accounts receivable	-	11.33
DIZBI Private Limited	Subsidiary company	Other receivable	27.42	38.42
DIZBI Private Limited	Subsidiary company	Loan and interest thereon receivable	-	260.50
Mr. Ashish Gupta	Key managerial personnel	Advance	37.50	-
Mr. Abhishekh Kanoi	Key managerial personnel	Advance	17.50	29.50
Multinational Textile Group Limited	Wholly owned subsidiary company	Unbilled revenue	231.39	33.86
Design Arc Asia Limited	Step down subsidiary company	Accounts receivable	17.76	58.58

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

e) Investment in shares held

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2023	Year ended March 31, 2022
Multinational Textile Group Limited	Wholly owned subsidiary company	Investment	10,050.25	10,050.25
DBS Lifestyle Private Limited	Subsidiary company	Investment	2,100.00	-
Technocian Fashions Private Limited	Subsidiary company	Investment	2.75	2.75
DIZBI Private Limited	Subsidiary company	Investment	1.00	0.88
PDS Brands Private Limited	Subsidiary company	Investment	1.00	1.00
Norlanka Brands Private Limited	Subsidiary company	Investment	45.97	3.75

f) Key management personnel compensation*

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits	1,046.46	492.08
Stock option/Phantom option expenses	733.07	845.89
Director sitting fees	-	16.00

** Acquired during the year ended March 31, 2022.

*** Acquired/incorporated during the year ended March 31, 2023.

^ Mrs. Payal Seth is the largest shareholder.

^^ The Board of Directors of the Company has appointed Mr. Parth Gandhi effective from May 27, 2021, Mr Mungo Park, Mr Robert Sinclair effective from November 09, 2021 and Mr. Nishant Parikh and Ms. Yael Gairola effective from December 08, 2021 as Independent Directors and KMP of the Company. Mr. Ashok Kumar Chhabra, Mr. Ashok Kumar Sanghi resigned as Independent Directors & KMP of the Company on November 09, 2021, Mr. Ashutosh Bhupatkar resigned as an Independent Director & KMP of the Company on December 08, 2021 and Mr. Saraswathy Venkateswaran resigned as an Independent Director & KMP of the Company on March 14, 2022.

The Board of Directors of the Company has appointed Mr. BG Srinivas effective from March 28, 2023 as an Additional Non-Executive & Independent Director and KMP of the Company.

Mr. Rahul Ahuja was appointed as a Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. January 25, 2023 at the Board Meeting held on January 24, 2023. Mr. Ashish Gupta has resigned as Chief Financial Officer of the Company w.e.f. close of business hours of January 24, 2023.

The Board of Directors of the Company has appointed Mr. Pallak Seth as Executive Vice Chairman and Director (Executive Director) is for a period of 5 years with effect from November 2, 2022 to November 1, 2027.

*For post-employment defined benefits, the same is done by actuary considering all employees of the Company and hence split is not available.

g) Other transaction

The Company has taken an secured loan from bank guaranteed by stand by documentary credit limit of its step down subsidiary namely Norwest Industries Limited - Hong Kong with HSBC Bank.

h) Terms and conditions of transactions with related parties: All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

i) In respect of figures disclosed above:

- the amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortization.
- Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

j) There are no reportable transactions/balances as required under Regulation 34(3) of SEBI (Listing and Other Disclosure requirements) Regulations, 2015.



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 34: Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company's capital and adjusted net debt position is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (refer note 17)	1,097.34	877.01
Less: Cash and cash equivalents (refer note 13)	(5,961.67)	(1,876.24)
Less: Bank balances other than cash and cash equivalents (refer note 14)	(3,301.15)	(4,301.15)
Adjusted net debt (A)	(8,165.48)	(5,300.38)
Equity share capital (refer note 15)	2,615.91	2,604.25
Other equity (refer note 16)	19,001.86	17,591.01
Total capital (B)	21,617.77	20,195.26
Capital and net debt (A+B)	13,452.29	14,894.88

- No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022
- For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.
- 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 35 : Fair value disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value. The management assessed that fair value of these financial assets and liabilities significantly approximate their carrying amount.

a) Fair value of financial assets:

Particulars	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets measured at amortized cost				
Investment in subsidiaries	15,118.74	11,307.55	15,118.74	11,307.55
Security deposits	66.56	49.46	66.56	49.46
Unbilled revenue	231.39	33.86	231.39	33.86

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Particulars	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Loans receivable	-	260.50	-	260.50
Deposits with original maturity of more than 12 months	1.00	1.00	1.00	1.00
Interest accrued but not due on fixed deposit	23.77	7.44	23.77	7.44
Trade receivables	10,598.60	2,844.23	10,598.60	2,844.23
Cash and cash equivalents	5,961.67	1,876.24	5,961.67	1,876.24
Bank balance other than cash and cash equivalents	3,301.15	4,301.15	3,301.15	4,301.15
Dues from related party	27.42	-	27.42	-
Total (A)	35,330.30	20,681.43	35,330.30	20,681.43
Financial assets measured at FVTPL				
Investments	1,079.56	865.21	1,079.56	865.21
Total (B)	1,079.56	865.21	1,079.56	865.21
Total (A+B)	36,409.86	21,546.64	36,409.86	21,546.64

b) Fair value of financial liabilities:

Particulars	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial liabilities measured at amortized cost				
Borrowings	1,097.34	877.01	1,097.34	877.01
Trade payables	12,682.91	1,880.47	12,682.91	1,880.47
Security deposit received	83.36	113.91	83.36	113.91
Lease liability	379.70	280.71	379.70	280.71
Interest accrued but not due on borrowings from bank	0.25	0.25	0.25	0.25
Dues to related party	937.78	153.25	937.78	153.25
Employee payable	362.85	158.13	362.85	158.13
Total	15,544.19	3,463.73	15,544.19	3,463.73
Financial liabilities measured at FVTPL				
Share based compensation expenses	386.71	166.38	386.71	166.38
Total (A+B)	386.71	166.38	386.71	166.38

Note 36 : Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized 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) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The fair value hierarchy of financial assets and financial liabilities as at March 31, 2023 is as follows

	As at March 31, 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Investments	1,079.56	-	1,022.56	57.00
Total	1,079.56	-	1,022.56	57.00



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(All amounts in lakhs, unless otherwise stated)

The fair value hierarchy of financial assets and financial liabilities as at March 31, 2022 is as follows

	As at March 31, 2021	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Investments	865.21	-	808.21	57.00
Total	865.21	-	808.21	57.00

i) Valuation technique used to determine fair value

Investment in Parc design investment limited: The investment (19%) has been valued at fair value based on exit price as per Ind AS 113, being determined based on a firm commitment by a buyer, secured by an agreement.

Investment in Waterbridge Ventures II (Trust): The investment has been valued at NAV obtained from the the Trust as at the reporting date.

ii) There have been no transfers between level 1, level 2 and level 3 category during the years ended on March 31, 2023 and March 31, 2022.

Note 37: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables, borrowings, current maturity of borrowings, lease liability, security deposit received, interest accrued, employees payable, dues to related party and capital creditors. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets includes investment in subsidiaries, security deposits, loan receivable, trade receivables, cash and cash equivalents and other bank balances.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior level personnel oversees the management of these risks.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk applicable in case of the Company primarily includes interest rate risk and currency risk.

i) 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 interest bearing debt obligations.

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	1,092.56	866.24
Fixed rate borrowings	4.78	10.77
	1,097.34	877.01

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for the year ended March 31, 2023

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Particulars	Increase or decrease in basis points	Effect on profit before tax
March 31, 2023		
INR	+50	(4.90)
	-50	4.90
March 31, 2022		
INR	+50	(3.21)
	-50	3.21

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

ii) Foreign currency risk

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

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Trade receivable	USD	8,097.82	1,746.78
Trade receivable	GBP	582.39	-
Cash and cash equivalents	USD	4,647.94	-
Cash and cash equivalents	GBP	484.16	-
Unbilled revenue	USD	231.39	33.86
Due to related parties	USD	(973.78)	(153.25)
Trade payable	USD	(8,205.89)	(1,225.25)
Trade payable	GBP	(673.56)	-
Net exposure	USD	4,226.47	402.14

Sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant.

Particulars	Change in FC exchange rate by	Impact on profit or loss and equity (in lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
USD sensitivity	5%	211.32	20.11	(211.32)	(20.11)

B. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Company. The Company continuously monitors defaults of customers and other counterparties and incorporate this information into its credit risk control. The Company also uses expected credit loss model to assess the impairment loss in trade receivables and makes an allowance of doubtful trade receivables using this model.

i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored. The Company



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limits its exposure to credit risk from trade receivables by establishing a appropriate credit period for customer. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision created.

The ageing analysis of trade receivables as of the reporting date is as follows:

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets is disclosed in note 35. The Company does not hold any collateral as security.

Particulars	Less than 30 days	30 to 90 days	More than 90 days	Total
Trade receivables as of March 31, 2023	9,484.94	250.50	883.00	10,618.44
Trade receivables as of March 31, 2022	2,219.03	107.01	518.19	2,844.23

Receivables that were neither past due nor impaired relate to a number of customers for whom there was no recent history of default.

The total impairment loss amounting to Nil (March 31, 2022: Nil) on trade receivables.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2023	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	1,097.34	-	-	1,097.34
Trade payables	12,682.91	-	-	12,682.91
Lease liability	141.90	241.38	-	383.28
Other financial liabilities	1,770.95	-	-	1,770.95
Total	15,693.10	241.38	-	15,934.48

As at March 31, 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	871.02	5.99	-	877.01
Trade payables	1,880.47	-	-	1,880.47
Lease liability	97.59	183.12	-	280.71
Other financial liabilities	591.93	-	-	591.93
Total	3,441.01	189.11	-	3,630.12

Note 38 : Segment reporting

In accordance with Accounting Standard Ind As 108 'Operating Segment', segment information has been disclosed in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Notes to the standalone financial statements

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Entity wide disclosures

a. Revenue by Geography

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
India	6,960.05	5,343.26
Outside India	39,325.70	6,239.46
Total	46,285.75	11,582.72

The Company is domiciled in India and all its non-current assets are located in/relates to India except following:

- (i) Investment in foreign subsidiary of ₹ 10,050.25 as at March 31, 2023 (March 31, 2022 : ₹ 10,050.25)

There was 2 customers during year ended March 31, 2023 and 1 customer during year ended March 31, 2022 who had contributed 10% or more to the Company's revenue.

b. Revenue by nature of products /Services

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of services		
- Corporate and sourcing services (refer note 33)	7,655.27	4,674.24
Sale of goods	38,321.05	6,574.93
Other operating income		
- Rental income (refer note 33)	309.43	333.55
	46,285.75	11,582.72

Note 39: Revenue from contracts with customers

(i) Disaggregated revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition

Particulars	Timing of revenue recognition	Year ended March 31, 2023	Year ended March 31, 2022
Sale of services	Over time	7,655.27	4,674.24
Sale of goods	At point in time	38,321.05	6,574.93
Total		45,976.32	11,249.17

(ii) Contract balances

Assets and liabilities related to contracts with customers:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (refer note 12)	10,598.60	2,844.23
Contract asset - unbilled revenue (refer note 9)	231.39	33.86
Contract liability - advance from customers (refer note 21)	3,270.98	1,144.57

Trade receivables are non-interest bearing and are generally on terms of not more than 90 days. The Company has recognized Nil provision for expected credit loss on trade receivables during the year ended March 31, 2022 (March 31, 2021: Nil)

Contract assets primarily relate to the Company's right to consideration for work completed but not yet billed at reporting date for services rendered to customers. Contract assets are transferred to receivables when the rights become unconditional



Notes to the standalone financial statements

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Contract liabilities primarily relate to the Company's obligation to transfer goods or services to customer for which the Company has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognized as revenue as the Company performs under the contract.

Particulars	As at March 31, 2023	As at March 31, 2022
Contract assets at the beginning of the year	33.86	34.05
Revenue billed/ accrued revenue during the year	197.53	(0.19)
Contract assets at the end of the year	231.39	33.86
Contract liabilities at the beginning of the year	1,144.57	983.30
Advance received/(adjusted) from customers during the year, net	2,126.41	161.27
Contract liabilities at the end of the year	3,270.98	1,144.57
Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price		
Revenue as per contract	45,976.32	11,249.17
Revenue from contract with customers	45,976.32	11,249.17

Performance obligations

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon shipment or on delivery at the customer premises and on completion of performance obligation. Revenue is recognised at a transaction price allocated to the extent of performance obligation satisfied after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For the accounting policy for revenue recognition refer Note 3 (g).

Sale of goods

The performance obligation is satisfied upon delivery of goods, except for new customers where payment in advance is normally required.

Note 40: Leases

a) As a lessee

Assets taken on lease

The Company has taken leases for office building. The lease rent paid for short term lease is recognized as an expense in Statement of Profit and Loss during the year ended March 31, 2023.

As lessee

- i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Office premises	Total
As at April 1, 2022	258.05	258.05
Addition during the year	213.72	213.72
Depreciation expenses	(118.72)	(118.72)
As at March 31, 2023	353.06	353.05

- ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period

Particulars	Office premises	Total
As at April 1, 2022	280.71	280.71
Addition during the year	213.72	213.72
Accretion of interest	32.31	32.31
Payment	(147.04)	(147.04)
As at March 31, 2023	379.70	379.70

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(All amounts in lakhs, unless otherwise stated)

iii) Maturity analysis of lease liabilities

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Not later than one year	191.48	141.90
Later than one year	318.20	241.38
Total	509.68	383.28

iv) Amount recognised in Statement of Profit and Loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on right of use assets	118.72	95.99
Interest on lease liabilities	32.31	30.48
Expenses relating to short term leases	0.37	0.25

b) As a lessor

The Company has entered into operating leases on its investment property located at Gurugram. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Refer note 5 for rental income and future minimum rentals receivable under non-cancellable operating leases as at March 31, 2023 and March 31, 2022.

Note 41 : Commitments and Contingencies

a) Commitments

(i) Capital commitment:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)"	-	-

(ii) Other commitment:

- The Company has entered into a Capital commitment agreement during the year where contribution has to be made to Fireside (the "Fund") and the contribution agreement has been executed between Vistra ITCL (India) Limited (the "Trustee Company"), WaterBridge Capital Management LLP (the "Investment Manager") and the Company (The "contributor") in which the contributor has committed ₹ 1000.00 which will be paid as per the terms of agreement. During the year, 10% (March 31, 2022 - 50%) of the amount i.e. ₹ 100.00 (March 31, 2022- 500.00) has been contributed based on the drawdown notice received from the fund. Total contribution till March 31, 2023 is ₹ 600.00.
- The Company has entered into a Capital commitment agreement where contribution has to be made to Fireside Ventures Investment Fund III ("Fund") and the contribution agreement has been executed between Orbis Trusteeship Services Private Limited (the "Trustee Company"), Fireside Ventures Advisory LLP (the "Investment Manager") and The Company (The "contributor") in which the contributor has committed ₹ 700.00 which will be paid as per the terms of agreement. During the year, 10% (March 31, 2022 - Nil) of the amount i.e. ₹ 70.00 (March 31, 2022 - Nil) has been contributed based on the drawdown notice received from the fund. Total contribution till March 31, 2023 is ₹ 70.00.



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b) Contingent Liabilities (to the extent not provided for)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Claims against company not acknowledged as debt:		
- On account of stamp duty on demerger	148.20	148.20
- Tenancy case	-	15.00
	148.20	163.20

- The Company has been a filed writ petition before the Hon'ble High Court of Delhi (PDS Multinational Fashions Limited Vs. Collector of Stamp, Civil Writ Petition being W. P. (C) No. 7509 of 2015) for quashing the orders dated June 19, 2015 and July 9, 2015 passed by the Collector of Stamps and saddled with a liability of ₹ 148.20 based on the misrepresentation and misreading of the judgement passed by the Hon'ble High Court of Delhi in Delhi Towers vs. GNCT of Delhi 1(2010) 159 comp. cases 129 (Delhi).
 - Pending resolution of the respective proceedings, it is difficult to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.
 - The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.
- c) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company has made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

Note 42: Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Particulars	As at March 31, 2023	As at March 31, 2022
a) Investments in subsidiaries & associates		
- Investment in wholly owned subsidiary : Multinational Textile Group Limited	10,050.25	10,050.25
- Investment in Subsidiary : Technocian Fashions Private Limited	2.75	2.75
- Investment in Subsidiary : DIZBI Private Limited	1.00	0.88
- Investment in Subsidiary : PDS Brand Private Limited	1.00	1.00
- Investment in Subsidiary : Norlanka Brands Private Limited	45.97	3.75
- Investment in Subsidiary : DBS Lifestyle Private Limited*	2,100.00	-

* Acquired during the year ended March 31, 2023.

Note 43: Corporate Social Responsibility The Company has spent an amount of ₹15.16 (March 31, 2022: ₹ 7.90) during the year as required under Section 135 of the Companies Act, 2013 in the areas of education, healthcare, woman empowerment and environment. The amount was spent by way of contribution to Soham Foundation for the purpose of educating children of ₹ 15.16.

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Details of CSR expenditure:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Gross amount required to be spent by the Company as per section 135 of the Companies Act, 2013	15.16	7.90
(b) Amount spent during the year		
i) Construction/acquisition of any assets	-	-
ii) On purpose other than (i) above	15.16	7.90
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-

Note 44: Employee Share Based Payments

As at March 31, 2023 the Company has the following share-based payments arrangements :

A. Employee Stock Option Plan 2021 - Plan A and Plan B

i) Brief description of the share based payment arrangement

On April 3, 2021, the Company established the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A ('Plan A') which entitles key managerial personnel and senior employees to purchase shares of the Company. On July 27, 2021, the Company established the PDS Multinational Fashions Limited Employee stock option plan 2021 – Plan B ('Plan B') through Direct and through Trust route for other KMP and senior employees. The plans are designed to provide incentives to the employees of the Company to deliver long-term returns. The Plans are administered by the Nomination and Remuneration committee. During the year ended 31 March 2023, the Company has granted 4,70,000 (March 31, 2022 - 5,443,660) equity settled stock options (ESOPs) under these plans. Vesting of the options would be subject to continuous employment with the Company and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest. Options granted under the plan didn't carry dividend or voting rights. On exercise, each option is convertible into one equity share. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Grant date	Number of instruments*	Exercise price*	Vesting period	Exercise period
FY 2022-23	4,70,000	₹ 240 - ₹ 268	1 - 4 years	3 - 4 years post vesting period
	4,70,000			
FY 2021-22 #	54,43,660	₹ 80 - ₹ 271	1 - 4 years	3 - 4 years post vesting period
	54,43,660			

ii) Summarized information about movement in Plan A and Plan B

Particulars	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	54,43,660	167.46	-	-
Granted during the year	4,70,000	255.00	10,88,732	837.28
Adjustment due to stock split #	-	-	43,54,928	(669.82)
Exercised during the year	6,94,100	104.00	-	-
Forfeited during the year	2,59,375	224.00	-	-
Outstanding at the end of the year	49,60,185	181.67	54,43,660	167.46
Exercisable at the end of the year	17,00,685	139.82	-	-



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The Company has charged ₹ 257.66 (March 31, 2022: ₹ 815.29) to the statement of profit and loss in respect of options granted under Plan A and Plan B.

Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on July 29, 2022, each equity share of face value of H 10/- per share has been subdivided into 5 (five) equity shares of face value of H2/- per share

*The number of instruments and the exercise prices are in absolute figures.

iii) Fair Value of the option granted during the year

The Fair value of ESOPs granted under Plan B have been measured using the Black-Scholes option-pricing model using the following assumptions, sorted according to their grant dates:

	As at March 31, 2023	As at March 31, 2022
Particulars	For option granted	For option grant- ed
Weighted average Grant date fair value, per share (in ₹)	324.77	103.48
Weighted average Exercise price, per share (in ₹)	255.00	167.46
Assumptions used:		
Volatility	36% - 37%	31.5% - 36.3%
Expected lives (in years)	1.50 - 5.00	1.50 - 5.00
Risk-free interest rate	6.89% - 7.19%	4.67% - 6.16%
Dividend yield rate	1.40% - 1.51%	0.84% - 2.23%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Grant. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the ESOP.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

B. Cash Settled Share based payment (Phantom Stock Units)

i) Brief description of the share based payment arrangement

On October 22, 2021 the Group established the PDS Multinational Fashions Limited – Phantom Stock Units Plan 2021 ('Phantom stock plan'), which entitles few senior employees of the Group to a cash payment on exercise. During the year ended March 31, 2023 the Group has not granted any Stock Units ('Phantom Stock Units/ PSU') (March 31, 2022 - 4,17,500). These PSU's carry a vesting period of up to 4 years and an exercise period of 4 years from the date of vesting.

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ii) Summarized information about movement in the Phantom stock plan

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of options*	Weighted average exercise price per share (₹)	Number of options*	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	4,17,500	219.00	-	-
Granted during the year	-	-	83,500	1,095.00
Adjustment due to stock split #	-	-	3,34,000	(876.00)
Exercised during the year	-	-	-	-
Cancelled during the year	30,000	219.00	-	-
Outstanding at the end of the year	3,87,500	219.00	4,17,500	219.00
Exercisable at the end of the year	96,875	219.00	-	-

The Company has charged ₹ 220.33 (March 31, 2022: 166.38) to the statement of profit and loss in respect of PSUs granted under the Phantom Stock Plan.

Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on July 29, 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share.

*The number of instruments and the exercise prices are in absolute figures.

iii) Cash Settled Share based payment (Phantom Stock Units)

The Fair value of PSUs have been measured using the Black-Scholes option-pricing model using the following assumptions

Particulars	Measurement Date March 31, 2023	Measurement date March 31, 2022
Weighted average grant date fair value, per share (in ₹)	179.20	179.20
Weighted average Exercise price, per share (in ₹)	219.00	219.00
Assumptions used:		
Expected volatility	36.3%	36.3%
Expected lives (in years)	4.60	4.60
Average Risk-free interest rate	6.14%	6.14%
Expected dividend yield	0.86%	0.86%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Measurement. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the PSU is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the PSU.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.



Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

C Share based payment expense recognised in the Statement of Profit and Loss in respect of the above plans is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Share based payment expense	477.99	981.67

D Share based payment reserve and Share based payment liability recognised in the balance sheet in respect of the above plans is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Share based payment liability	386.71	166.38
Share based payment reserve	3,565.19	2,064.21

Note 45: Ratio Analysis

Ratio	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	Variation
Current Ratio (in times)^	Total current assets	Total current liabilities	1.09	2.03	-46.11%
Debt-Equity Ratio (in times)*	Debt consists of borrowings	Total equity	0.05	0.04	26.90%
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest payments + Principal repayments	7.65	7.20	6.24%
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	41.34	37.00	11.72%
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average trade receivables	6.89	6.97	-1.20%
Trade Payables Turnover Ratio (in times)	Purchase of stock in trade	Average trade payables	5.33	4.53	17.77%
Net Capital Turnover Ratio (in times)**	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	26.01	2.32	1021.21%
Net Profit Ratio (in %)#	Profit for the year	Revenue from operations	18.67	58.00	-67.81%
Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Deferred tax liabilities	41.25	33.00	24.98%

Reason for variation beyond 25%

^ Due to increase in current liabilities on account of increase in Trading business(sale of goods) as on March 31, 2023

* Due to increase in import loan payable on account of increase in Trading business(sale of goods) as on March 31, 2023

** Due to increase in income from Trading business (sale of goods)

Due to higher proportionate increase in Total expenses as compared to Total income.

Notes to the standalone financial statements

for the year ended March 31, 2023

(All amounts in lakhs, unless otherwise stated)

Note 46: Additional information, as required under Schedule III to the Companies Act, 2013,

- (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 does not have any transactions with companies struck off.
- (c) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (d) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- (e) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Note 47: Covid 19

The spread of COVID-19 had severely impacted businesses around the globe in FY 20 and FY 21. As a result, the operations of the Group were impacted in these financial years with a series of lockdowns announced by the Governments of respective countries. However, in the current year, the Group has carried out its business activities without any significant limitations imposed due to COVID 19. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business and believes that it has sufficient financial resources to operate for the next twelve months

Note 48: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company regularly updates the documentation for the International transactions entered into with the associated enterprises during the period as required under law. The Management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 49: No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2023.

Note 50: Figures have been rounded off to the nearest ₹ lakhs except otherwise stated.

Note 51: Prior year amounts have been regrouped / reclassified wherever necessary, to conform to the presentation in the current year, which are not material.

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

FIRM'S REGISTRATION NUMBER: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Mumbai, India

May 11, 2023

For And On Behalf Of Board Of Directors Of

PDS Limited (Formerly PDS Multinational Fashions Limited)**Deepak Kumar Seth**

Chairman & Non-Executive Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company Secretary

Membership No. FCS 9530



CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of
PDS Limited (formerly PDS Multinational Fashions Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of PDS Limited (formerly PDS Multinational Fashions Limited ('the Holding Company') and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as 'the Group'), its Associates and Joint ventures, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the Subsidiaries, Associates and Joint ventures, 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 ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its Associates and Joint ventures, as at 31 March 2023, their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its Associates and Joint ventures 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key Audit Matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the Subsidiaries, Associates and Joint ventures, 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.
5. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>1. Evaluation of the consolidation process</p> <p>Refer note 2 for the basis of consolidation in the accompanying consolidated financial statements.</p> <p>The Group's consolidation process involves 108 components (including step-down Subsidiaries and excluding Joint ventures, Associates and controlled trust) located across multiple geographies and audited by other auditors. These components comprise significant portions of the Group's assets, liabilities, income and expenses.</p> <p>The process of consolidation involves assessment of degree of control/ significant influence and the corresponding accounting treatment, alignment of generally accepted accounting principles, elimination of inter-company balances and transactions.</p>	<p>Our audit procedures for auditing the consolidated financial statements and consolidation adjustments included, but were not limited to the following -</p> <ul style="list-style-type: none">• Obtained an understanding of the management's process of preparation of consolidated financial statements comprising the Holding Company and its components;• Evaluated the design and implementation and tested the operating effectiveness of key controls with respect to Group's process of consolidation;• Identified and determined the 'significant components' of the Group based on materiality,



Key audit matter	How our audit addressed the key audit matter
<p>Considering the significance of the components, materiality to the financial statements and complexities involved, the consolidation process has been identified as a Key Audit Matter for the audit of the current year.</p>	<p>discussions with the Holding Company management and thereby developed an overall audit plan to perform work around the identified significant components in accordance with the Guidance Note on consolidated financial statements and SA 600 - Using the work of another auditor;</p> <ul style="list-style-type: none"> Communicated the group audit instructions to the respective component auditors of identified significant components including and not limited to the materiality, audit risks identified at the Group level and a questionnaire to understand the procedures performed by the component auditors to mitigate those audit risks and their response to the significant transactions and matters identified at the component level; Assessed the work performed by such other component auditors including discussions with the component auditors to understand their response and findings to the extent applicable; Obtained the audited financial statements of the components from the management of the Holding Company and traced the information to the consolidation workings provided by management; Reviewed inter-company eliminations, consolidation adjustments, foreign currency translation adjustments, alignment of Group accounting policies and the resultant tax impacts; and Assessed the adequacy and appropriateness of disclosures made in accordance with the applicable accounting standards in these consolidated financial statements.
<p>2. Impairment of Goodwill</p> <p>Refer note 7 accompanying to the consolidated financial statements</p> <p>The carrying value of goodwill aggregates to ₹ 7,981.27 lakhs as on 31 March 2023. Such goodwill is tested for impairment annually by the management in accordance with Ind AS 36, Impairment of Assets, using the discounted cash flow method.</p> <p>In determining the recoverable amount of such goodwill, the management has applied significant judgements and assumptions to estimate the same. The determination of such recoverable amount involves use of several key assumptions, including projections of future sales, operating and finance costs, terminal growth rates and the weighted average cost of capital (discount rate). These assumptions have been disclosed in note 7 to the consolidated financial statements. Changes in these assumptions could lead to an impairment to the carrying value of goodwill.</p> <p>Due to the significance of the carrying amounts of Goodwill and the inherent subjectivity involved in determining the impairment loss, if any, this matter was considered as a Key Audit Matter for the current year audit.</p>	<p>Our audit procedures for assessing the impairment of goodwill, if any, included but were not limited to the following -</p> <ul style="list-style-type: none"> Obtained an understanding of the management's process for identification of impairment indicators for goodwill, identification of Cash Generating Units and impairment testing of such assets; Evaluated the design and implementation and tested operating effectiveness of key controls with respect to group's process of impairment assessment of goodwill. Assessed reasonableness of the future cash flow projections prepared by the management and/or management expert and compared them with past trends; Involved the auditor's expert to assist in examining the Group's valuation models where applicable, and analyzed key assumptions, including long-term growth rates and discount rates used and compared the assumptions to corroborating information including industry benchmarks and data from historic performances;

Key audit matter	How our audit addressed the key audit matter
The auditor of one Subsidiary has determined "impairment of investment in Subsidiaries" as a Key Audit Matter. These investments are eliminated on consolidation in the consolidated financial statements of the Group.	<ul style="list-style-type: none"> • Tested the mathematical accuracy of the management's computations; • Performed independent sensitivity analysis on the valuation, resulting from changes to key assumptions applied; • Obtained an understanding from the component auditors to understand the procedures performed by them in respect of impairment of Goodwill as part of group audit instructions sent to them; and • Assessed the appropriateness and adequacy of presentation and disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation 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 changes in equity and consolidated cash flows of the Group including its Associates and Joint ventures in accordance with the Ind AS specified under Section 133 of the Act read with the

Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the Companies included in the Group, and its Associate and Joint Venture covered under the Act 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its Associates and Joint ventures are responsible for assessing the ability of the Group and of its Associates and Joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the Companies included in the Group and of its Associates and Joint ventures.



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

10. 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associates and Joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates and Joint ventures to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its Associates and Joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements / financial information of 71 Subsidiaries, whose financial statements / financial information reflects total assets of ₹ 4,70,257.85 lakhs and net assets of ₹ 2,06,878.79 lakhs as at 31 March 2023, total revenues of ₹ 6,55,055.52 lakhs and net cash inflows amounting to ₹ 2,094.37 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 31.94 lakhs for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of 4 Associates and 9 Joint ventures, whose financial statements / financial information has not

been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, Associates and Joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiaries, Associates and Joint ventures, are based solely on the reports of the other auditors.

Further, of these Subsidiaries, Associates and Joint ventures, 69 Subsidiaries, 4 Associates and 9 Joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such Subsidiaries, Associates and Joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such Subsidiaries, Associates and Joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not audit the financial statements / financial information of 9 Subsidiaries, whose financial statements / financial information reflects total assets of ₹ 622.30 lakhs and net liabilities of ₹ 423.30 lakhs as at 31 March 2023, total revenues of ₹ Nil and net cash inflows amounting to ₹ 70.35 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial

statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid Subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements / financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements/ financial information certified by the management of the respective entities and provided to us by the Holding Company's management.

Report on Other Legal and Regulatory Requirements

17. Based on our audit we report that the Holding Company and 7 Subsidiary companies, covered under the act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) is not applicable in respect of the Holding Company and such Subsidiary companies. Further, we report that the provisions of Section 197 read with Schedule V to the act are not applicable to 1 Joint Venture Company incorporated in India whose financial statements have been audited under the Act, since such company is not a public company as defined under Section 2(71) of the Act.
18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies. Further, following are the companies included in the consolidated financial statements for the year ended March 31, 2023 and covered under the Act that are audited by us, for which the respective reports under Section 143(11) of the Act of such Companies have not yet issued by us.

Sr. No	Name	CIN	Subsidiary/ Joint Venture
1	Technocian Fashions Private Limited	U18100HR2019PTC096168	Subsidiary
2	DIZBI Private Limited	U72900KA2020PTC134287	Subsidiary
3	Norlanka Brands Private Limited	U18101KA2020PTC141803	Subsidiary
4	S.O.T. Garments India Private Limited	U51311TN2006PTC059563	Subsidiary
5	S.Oliver Fashion India Private Limited	U18101HR2002PTC050068	Subsidiary
6	Digital Ecom Techno Private Limited	U52609KA2016PTC094215	Joint Venture



19. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the Subsidiaries, and Joint ventures incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements 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 Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company, its Subsidiary Companies and Joint ventures and taken on record by the Board of Directors of the Holding Company, its Subsidiary Companies and Joint ventures, covered under the Act, none of the directors of the Group Companies and Joint Venture, are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its Subsidiary Companies, and a Joint Venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'. Further In our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of 1 Joint Venture covered under the Act, are not applicable; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the Subsidiaries and Joint Venture:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its Associates and a Joint ventures as detailed in Note 42 to the consolidated financial statements;
 - ii. The Holding Company, its Subsidiary Companies, and a Joint Venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its Subsidiary Companies, and Joint Venture covered under the Act, during the year ended 31 March 2023;
 - iv. a. The respective managements of the Holding Company, its Subsidiary companies, and Joint Venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such Subsidiaries, and Joint ventures respectively that, to the best of their knowledge and belief, as disclosed in note 37 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company, its Subsidiary companies, or its Joint Venture to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, Subsidiary Companies, or its Joint Venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The respective managements of the Holding Company, its Subsidiary companies and Joint Venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such Subsidiaries, and Joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note 37 to the accompanying consolidated financial statements, no funds have been received by the Holding Company, its Subsidiary companies, or its Joint Venture from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, any

such Subsidiary companies, or its Joint Venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us and that performed by the auditors of the Subsidiary companies, Associates and Joint ventures as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend declared and paid by the Holding Company and its Subsidiary Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with Section 123 of the Act.

The final dividend paid by the Holding Company and its Subsidiary Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.

As stated in note 17 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company has proposed a final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all Companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 23210122BGXASI6044

Place: Mumbai

Date: May 11, 2023



Annexure I

to the Independent Auditor's Report of even date to the members of PDS Limited (formerly PDS Multinational Fashions Limited) on the consolidated financial statements for the year ended 31 March 2023

List of entities included in the consolidated financial statements

Subsidiaries

Sr. No	Name of Entity
1	Technocian Fashions Private Limited
2	Multinational Textile Group Limited
3	Casa Forma Limited
4	PDS Sourcing Limited
5	PDS Asia Star Corporation Limited
6	Simple Approach Limited
7	Simple Approach Bangladesh Private Limited
8	Zamira Fashion Limited Zhongshan
9	PG Group Limited
10	Techno Design HK Limited
11	Norwest Industries Limited
12	Poeticgem International Limited
13	Multinational OSG Services Bangladesh Private Limited
14	PDS Smart Fabric Tech Limited
15	PDS Smart Fabric Tech UK Limited
16	Techno Design GmbH
17	Poetic Brands Limited
18	Poeticgem Limited
19	PDS Trading (Shanghai) Company Limited
20	Simple Approach (Canada) Limited
21	PDS Brands Manufacturing Limited
22	PG Home Group Limited
23	PG Shanghai Manufacturer Co. Limited
24	360 Notch Limited
25	Design Arc Europe SPA
26	Sourcing Solutions Limited
27	PDS Brands Private Limited
28	Krayons Sourcing Limited
29	Design Arc Asia Limited
30	Nor Lanka Manufacturing Limited
31	Design Arc Europe Limited
32	Kleider Sourcing Hong Kong Limited
33	Kleider Sourcing Limited Bangladesh
34	Rising Asia Star Hong Kong Co., Limited
35	PDS Tailoring Limited
36	Spring Near East Manufacturing Company Limited
37	Clover Collections Limited
38	FX Import Company Limited
39	Poetic Knitwear Limited
40	Pacific Logistics Limited
41	PG Home Group SPA
42	Nor Lanka Manufacturing Colombo Limited
43	Brand Collective Limited
44	PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited)
45	PDS Ventures Limited
46	Progress Manufacturing Group Limited
47	Progress Apparels (Bangladesh) Limited
48	Green Apparel Industries Limited
49	Grupo Sourcing Limited
50	JJ Star Industrial Limited
51	Twins Asia Limited

Sr. No	Name of Entity
52	Norlanka Progress Private Limited
53	Blueprint Design Limited
54	Design Arc UK Limited
55	Grupo Sourcing Limited, Bangladesh
56	Fareast Vogue Limited
57	PDS Far-east Limited
58	Kindred Brands Limited
59	Styleberry Limited
60	PDS Global Investments Limited
61	Green Smart Shirts Limited
62	Zamira Fashion Limited
63	PDS Far East USA, Inc.
64	PDS Ventures Limited (Formerly Smart Notch Industrial Limited)
65	Apex Black Limited
66	Casa Collective Limited
67	Smart Notch (Shanghai) Limited.
68	Jcraft Array Limited
69	Kindred Fashion Limited
70	Recovered Clothing Limited
71	PDS Fashions Limited
72	Design Arc FZCO
73	Spring Near East FZCO
74	Kleider Sourcing FZCO
75	Twins Asia FZCO
76	Techno Sourcing BD Limited
77	Clover Collections FZCO
78	PG Capital FZE
79	PDS Manufacturing Limited
80	Norlanka Brands Private Limited
81	Poeticgem International FZCO
82	PDS Multinational FZCO
83	Spring Design London Limited
84	DIZBI Private Limited
85	LillyandSid Limited
86	Brand Collective Corporation Limited
87	S.O.T. Garments India Private Limited
88	DBS Lifestyle India Private Limited
89	Suri Overseas Private Limited
90	S.Oliver Fashion India Private Limited
91	Sunny Up Limited
92	PDS Fashions Hong Kong Limited
93	PDS Sourcing Hong Kong Limited
94	PDS Design Services Limited
95	PDS Lifestyle Limited
96	SKOPE Apparels FZCO
97	Infinity Fashion FZCO
98	PDS Logistics FZCO
99	PDS Sourcing FZCO
100	PDS Brands Manufacturing FZCO
101	Collaborative Sourcing Services FZCO
102	Lily and Lionel London Limited
103	PG Group SPA
104	Casa Collective Sourcing Limited
105	Design Arc Brands Limited
106	Techno Design USA LLC
107	PDS Global Procurement Service FZCO
108	Upcycle Labs Limited (formerly Filkor Limited)

**Associates**

Sr. No	Name of Entity
1	Reflaunt Pte Limited
2	Sourcing Solutions Europe BVBA
3	GWD Enterprises Limited
4	Loop Digital Wardrobe Limited

Joint ventures

Sr. No	Name of Entity
1	Digital Ecom Techno Private Limited
2	Redwood Internet Ventures Limited
3	Digital Internet Technologies Limited
4	Yellow Octopus EU Sp Zoo (Poland)
5	Yellow Octopus EU spolka z ograniczona odpowiedzialnoscia spolka komandytowa
6	One Stop Shop Solutions EU Sp. z.oo
7	Yellow Octopus Ventures FZCO
8	Yellow Octopus-UK Limited (Formerly Yellow Octopus Fashion Ltd)
9	One Stop Shop Solutions spolka z ograniczona odpowiedzialnoscia spolka komandytowa

Controlled Trust

Sr. No	Name of Entity
1	PDS Multinational Fashions ESOP Trust

Annexure II

to the Independent Auditor's Report of even date to the members of PDS Limited (formerly PDS Multinational Fashions Limited) on the consolidated financial statements for the year ended 31 March 2023

Independent Auditor's 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')

1. In conjunction with our audit of the consolidated financial statements of PDS Limited (formerly PDS Multinational Fashions Limited ('the Holding Company'), and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as 'the Group'), its Associates and Joint ventures as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of Holding Company, and its subsidiary Companies its Associates and Joint Venture, which are Companies covered under the Act, as at the date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its Subsidiary Companies and Joint Venture, which are Companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of the internal financial controls with reference to financial statements of the aforementioned Joint venture, which is a Company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum

dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its Subsidiary Companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 financial statements of the Holding Company and its Subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include 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 Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance

with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company, its Subsidiary companies, which are Companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 23210122BGXASI6044

Place: Mumbai

Date: May 11, 2023

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
I. Non-current assets			
(a) Property, plant and equipment	4	35,001.70	35,937.62
(b) Capital work in progress	5	415.65	313.59
(c) Investment property	6	2,476.00	4,487.02
(d) Goodwill	7	7,981.27	5,176.25
(e) Other Intangible assets	8	2,910.30	734.20
(f) Intangible assets under development	8A	349.31	10.34
(g) Investments accounted for using the equity method	9B	9,780.51	9,663.26
(h) Financial assets			
(i) Investments	9A	26,750.33	18,435.53
(ii) Other financial assets	10	165.26	1,134.54
(i) Deferred tax assets (net)	24	836.23	1,135.31
(j) Non-current tax asset (net)		1,846.20	1,258.94
(k) Other non-current assets	11	77.13	374.26
Total non-current assets		88,589.89	78,660.86
Current assets			
(a) Inventories	12	25,574.21	30,524.71
(b) Financial assets			
(i) Investments	9A	5,304.83	3,840.45
(ii) Trade receivables	13	97,843.44	1,42,130.97
(iii) Cash and cash equivalents	14	51,124.87	46,000.20
(iv) Bank balances other than (iii) above	15	21,787.83	20,484.50
(v) Other financial assets	10	8,635.43	7,059.33
(c) Other current assets	11	12,043.24	11,107.23
Total current assets		2,22,313.85	2,61,147.39
Total assets		3,10,903.74	3,39,808.24
II. Equity and liabilities			
Equity			
(a) Equity share capital	16	2,615.91	2,604.25
(b) Other equity	17	1,02,751.92	84,635.94
Equity attributable to the owners of the parent		1,05,367.83	87,240.19
Non-controlling interest		5,893.13	6,360.24
		1,11,260.96	93,600.43
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	193.21	10.77
(ii) Lease liabilities	45	7,924.55	9,145.31
(iii) Other financial liabilities	19	82.45	-
(b) Provisions	20	2,222.41	1,716.46
(c) Deferred tax liabilities (net)	24	-	285.13
(d) Other non-current liabilities	22	49.33	61.75
Total non-current liabilities		10,471.95	11,219.42
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	59,881.61	62,324.34
(ii) Lease liabilities	45	3,901.28	2,567.71
(iii) Trade payables	21		
- Total outstanding dues to micro enterprises and small enterprises		15.93	9.50
- Total outstanding dues to creditors other than micro and small enterprises		1,12,469.11	1,56,622.43
(iii) Other financial liabilities	19	4,269.22	6,690.97
(b) Other current liabilities	22	3,293.38	2,382.76
(c) Provisions	20	1,525.24	1,676.94
(d) Current tax liabilities (net)	23	3,815.06	2,713.74
Total current liabilities		1,89,170.83	2,34,988.39
Total equity and liabilities		3,10,903.74	3,39,808.24
Summary of significant accounting policies and other explanatory information	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Mumbai, India

May 11, 2023

For And On Behalf Of Board Of Directors Of PDS Limited
(Formerly PDS Multinational Fashions Limited)**Deepak Kumar Seth**

Chairman & Non-Executive Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company Secretary

M. No. FCS 9530



Consolidated Statement of Profit and Loss

for the Period ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
I Revenue from operations	25	10,57,700.42	8,82,821.38
II Other income	26	5,153.05	8,602.74
III Total income (I+II)		10,62,853.47	8,91,424.12
IV Expenses			
(a) Cost of material consumed	27	76,737.85	50,953.04
(b) Purchases of stock-in-trade	28	8,02,576.40	6,94,826.60
(c) Changes in inventories of finished goods, stock in trade and work-in-progress	29	1,238.08	(6,167.54)
(d) Employee benefits expense	30	76,126.69	62,086.61
(e) Finance costs	31	7,411.62	3,264.52
(f) Depreciation and amortization expense	32	8,018.20	6,990.81
(g) Other expenses	33	55,101.20	48,404.42
V Total expenses		10,27,210.04	8,60,358.46
VI Profit before share of loss in associates and joint ventures (III-V)		35,643.43	31,065.66
VII Share of profit/(loss) of associates and joint ventures		31.93	(57.86)
VIII Profit before tax (VI+VII)		35,675.36	31,007.80
IX Tax expense	24		
(a) Current tax		3,148.05	1,804.24
(b) Deferred tax (credit)/ charge		(149.53)	(78.53)
Total tax expense		2,998.52	1,725.71
X Profit for the year (VIII-IX)		32,676.84	29,282.09
XI Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Re-measurement (losses)/profit on defined benefit plans		(316.40)	40.28
(b) Net gain on instruments measured at fair value through other comprehensive income		1,081.63	1,800.00
(ii) Income tax on items that will not be reclassified to profit or loss		10.17	(5.57)
(B) (i) Items that will be reclassified to profit or loss			
(a) Net (loss)/gain on cash flow hedges		(305.14)	99.89
(b) Gain arising on translating the financial statements of foreign operations		2,236.76	1,423.03
Other comprehensive income for the year, net of tax		2,707.02	3,357.62
XII Total comprehensive income for the year, net of tax		35,383.86	32,639.71
Net profit for the period attributable to			
- Owners of the Company		26,497.84	24,840.99
- Non controlling interest		6,179.00	4,441.10
Total comprehensive income for the year, net of tax		32,676.84	29,282.09
- Owners of the Company		28,913.97	27,613.27
- Non controlling interest		6,469.89	5,026.44
		35,383.86	32,639.71
XIII Earnings per share: (Face value ₹ 2 per share)	34		
1) Basic (amount in ₹)		20.30	19.08
2) Diluted (amount in ₹)		19.93	18.86
Summary of significant accounting policies and other explanatory information	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

For And On Behalf Of Board Of Directors Of PDS Limited
(Formerly PDS Multinational Fashions Limited)**Deepak Kumar Seth**

Chairman & Non-Executive

Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive

Director

Din : 00003040

Abhishekh KanoiHead Of Legal & Company
SecretaryMumbai, India
May 11, 2023Mumbai, India
May 11, 2023

M. No. FCS 9530

Consolidated Statement of Changes in Equity

as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity Share Capital

	Amount
As at April 01, 2021	2,604.67
Treasury shares	(0.42)
As at March 31, 2022	2,604.25
Fresh issue (Net of treasury share)	11.66
As at March 31, 2023	2,615.91

B. Other Equity

Particulars	Securities Premium	Capital reserve	Restricted reserve	Retained earnings	Other reserves ^	Treasury Stock	Foreign currency translation reserve	Equity instruments through OCI	Remeasurement of defined benefit plan	Effective Portion of Cash Flow Hedges	Share based payment reserve	Total equity before Non-controlling interest	Non-controlling interest	Total equity
Balance as at April 01, 2021	-	26,185.92	664.52	25,223.83	(3,821.21)	-	13,007.10	736.67	(37.28)	124.37	-	62,083.92	6,865.79	68,949.71
Net Profit for the year	-	-	-	24,840.99	-	-	-	-	-	-	-	24,840.99	4,441.10	29,282.09
Net gain on instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	1,284.48	-	-	-	1,284.48	515.52	1,800.00
Share based payments to employees (refer note 48)	-	-	-	-	-	-	-	-	-	-	2,064.21	2,064.21	-	2,064.21
Purchase of Treasury shares	-	-	-	-	-	(57.73)	-	-	-	-	-	(57.73)	-	(57.73)
Gain arising on translating the financial statements of foreign operations	-	-	-	-	-	-	1,353.21	-	-	-	-	1,353.21	69.82	1,423.03
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	-	-	40.28	-	-	40.28	-	40.28
Net gain on cash flow hedges	-	-	-	-	-	-	-	-	-	99.89	-	99.89	-	99.89
Decrease in interest by non-controlling interest	-	-	-	-	(2,970.96)	-	-	-	-	-	-	(2,970.96)	(38.83)	(3,009.80)
Total Comprehensive Income	-	26,185.92	664.52	50,064.82	(6,792.17)	(57.73)	14,360.31	2,021.15	3.00	224.26	2,064.21	88,738.29	11,853.39	1,00,591.68
Dividend paid, net of tax	-	-	-	(4,102.35)	-	-	-	-	-	-	-	(4,102.35)	(5,493.15)	(9,595.50)
Balance as at March 31, 2022	-	26,185.92	664.52	45,962.47	(6,792.17)	(57.73)	14,360.31	2,021.15	3.00	224.26	2,064.21	84,635.94	6,360.24	90,996.18



Consolidated Statement of Changes in Equity

as at March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

B. Other Equity (Contd..)

Particulars	Securities Premium	Capital reserve	Restricted reserve	Retained earnings	Other reserves ^	Treasury Stock	Foreign currency translation reserve	Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Share based payment reserve	Total equity before Non- controlling interest	Non- controlling interest	Total equity
Balance as at April 01, 2022	-	26,185.92	664.52	45,962.47	(6,792.17)	(57.73)	14,360.31	3.00	224.26	2,064.21	84,635.94	6,360.24	90,996.18
Net Profit for the year	-	-	-	26,497.84	-	-	-	-	-	-	26,497.84	6,179.00	32,676.84
Net gain on instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	470.17	611.46	1,081.63
Share based payments to employees (refer note 48)	425.64	-	-	-	-	-	-	-	-	1,500.98	1,926.62	-	1,926.62
Premium on issue of shares (refer note 17)	709.30	-	-	-	-	-	-	-	-	-	709.30	-	709.30
Purchase of Treasury shares	-	-	-	-	-	(345.17)	-	-	-	-	(345.17)	-	(345.17)
Gain/ (loss) arising on translating the financial statements of foreign operations	-	-	-	-	-	-	2,557.33	-	-	-	2,557.33	(320.57)	2,236.76
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	-	(316.40)	-	-	(316.40)	-	(316.40)
Net gain on cash flow hedges	-	-	-	-	-	-	-	-	(305.14)	-	(305.14)	-	(305.14)
Decrease in interest by non-controlling interest	-	28.30	-	-	(3,620.71)	-	-	-	-	-	(3,592.41)	(598.35)	(4,190.76)
Increase in interest by non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	380.78	380.78
Total Comprehensive Income	1,134.94	26,214.22	664.52	72,460.31	(10,412.88)	(402.90)	16,917.64	(313.40)	(80.88)	3,565.19	1,12,238.08	12,612.57	1,24,850.64
Dividend paid, net of tax	-	-	-	(9,486.16)	4102.35	-	-	-	-	-	(9,486.16)	(6,719.44)	(16,205.60)
Balance as at March 31, 2023	1,134.94	26,214.22	664.52	62,974.15	(10,412.88)	(402.90)	16,917.64	(313.40)	(80.88)	3,565.19	1,02,751.92	5,893.13	1,08,645.03

^ Other reserves represents gain/loss on change in proportion held by Non-controlling interest (NCI) without a change in control.

Summary of significant accounting policies and other explanatory information (Note 3)

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

As per our report of even date attached

For **Walker Chandniok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Mumbai, India

May 11, 2023

For And On Behalf Of Board Of Directors Of PDS Limited
(Formerly PDS Multinational Fashions Limited)

Deepak Kumar Seth

Chairman & Non-Executive Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 11, 2023

Rahul Ahuja

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive Director

Din : 00003040

Abhishekh Kanai

Head Of Legal & Company Secretary

M. No. FCS 9530

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Cash flows from operating activities		
Profit before tax	35,675.36	31,007.80
Adjustments for:		
Share of (profit)/ loss of associates and joint ventures	(31.93)	57.86
Depreciation and amortization expense	8,018.20	6,990.81
Finance costs	7,411.62	3,264.52
Expected credit loss	132.82	1,565.77
Interest income	(528.62)	(131.94)
Dividend income	(56.92)	(64.26)
Liabilities written back	(78.10)	(104.35)
Fair value loss/ (gain) on financial assets measured at fair value through profit and loss	319.12	(610.66)
Gain on disposal of subsidiary	-	(4,073.89)
Employee share compensation expense	2,146.95	2,263.16
Loss on sale of property, plant & equipment	36.38	33.26
Gain on sale of investment property	(3,648.86)	-
Unrealised foreign exchange fluctuation (gain)/ loss	(628.03)	246.95
Operating profit before working capital changes	48,767.99	40,445.03
Movement in working capital:		
Change in trade payables and other financial liabilities	(55,766.60)	65,284.61
Change in other current financial liabilities	(2,853.59)	(1,296.71)
Change in provisions	(187.71)	569.14
Change in trade receivables	55,244.09	(51,150.24)
Change in other non-current assets	2,248.77	76.72
Change in inventories	5,772.74	(10,811.89)
Change in other financial assets	395.86	16.82
Cash generated from operations	53,621.56	43,133.48
Direct tax paid, net of refunds received	(2,633.99)	(2,407.57)
Net cash generated from operating activities (a)	50,987.57	40,725.91
Cash flows from investing activities		
Purchase of property, plant and equipment, capital working in progress and investment property	(3,186.76)	(3,798.37)
Proceeds from sale of investment property	5,651.87	8,327.33
Purchase of intangible assets	(2,740.53)	(638.59)
Purchase of investments	(11,040.03)	(13,145.32)
Acquisition of non-controlling interest	(4,246.27)	-
Acquisition of joint venture/ subsidiaries/ non controlling interest	(3,001.49)	(12,145.89)
Proceeds from sale of investments	3,075.59	5,195.72
Investment in time deposits	(1,303.33)	(6,766.16)
Dividend received	56.92	64.26
Interest received	288.72	110.38
Net cash (used in) investing activities (b)	(16,445.31)	(22,796.65)
Cash flows from financing activities		
(Repayment)/ proceeds of short term borrowings, net	(7,534.78)	12,894.76
Proceeds/ (repayment) of long term borrowings, net	182.44	(173.27)
Acquisition of own equity shares by a controlled ESOP trust	(346.47)	(58.15)
Payment of dividend to shareholders	(9,486.16)	(4,102.36)
Issuance of share capital including premium	722.26	-
Payment of dividend to non-controlling interests of subsidiaries	(6,719.43)	(5,493.15)
Payment of principal portion of lease liabilities and interest thereon	(3,739.18)	(2,851.75)
Interest paid on borrowings	(3,886.28)	(2,356.76)
Interest paid on others	(2,877.79)	(508.49)
Net cash (used in) financing activities (c)	(33,685.39)	(2,649.17)
Net increase in cash and cash equivalents (a+b+c)	856.87	15,280.09



Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Effect of exchange rate changes on cash and cash equivalents	746.70	629.72
Cash acquired on business combination	2,704.06	111.37
Opening balance of cash and cash equivalents (net of bank overdraft)	44,259.68	28,238.50
Cash and cash equivalents at the end of the year	48,567.31	44,259.68
Components of cash and cash equivalents		
Cash on hand	149.57	46.26
Balance with banks	50,975.30	45,953.94
Bank overdraft	(2,557.56)	(1,740.52)
Total Cash and Cash equivalents (refer note 14 & 18)	48,567.31	44,259.68

Non cash disclosure

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at April 01, 2021	Cash flow		Non-cash			As at March 31, 2022
		Additions*	Repayment	Amortisation of upfront fees/ Interest expense	Exchange difference	Leases	
Borrowings	48,980.81	12,894.76	(173.27)	-	632.81	-	62,335.11
Interest accrued but not due on borrowings	0.34	-	(2,402.55)	2,474.09	(71.63)	-	0.25
Lease liability	7,173.89	-	(2,535.52)	316.25	240.79	6,517.59	11,713.01
	56,155.04	12,894.76	(5,111.34)	2,790.34	801.97	6,517.59	74,048.37

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at April 01, 2022	Cash flow		Non-cash			As at March 31, 2023
		Additions*	Repayment	Amortisation of upfront fees/ Interest expense	Exchange difference	Leases	
Borrowings	62,335.11	182.44	(7,534.78)	-	5,092.05	-	60,074.82
Interest accrued but not due on borrowings	0.25	-	(6,764.07)	6,764.07	-	-	0.25
Lease liability	11,713.01	-	(3,739.18)	636.33	(793.54)	4,009.19	11,825.83
	74,048.37	182.44	(18,038.03)	7,400.40	4,298.51	4,009.19	71,900.90

* includes amount received as book overdraft and considered as part of cash and cash equivalent in the cash flow statement.

Summary of significant accounting policies and other explanatory information (Note 3)

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Mumbai, India
May 11, 2023For And On Behalf Of Board Of Directors Of PDS Limited
(Formerly PDS Multinational Fashions Limited)**Deepak Kumar Seth**

Chairman & Non-Executive

Director

Din : 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India
May 11, 2023**Rahul Ahuja**

Chief Financial Officer

Pallak Seth

Vice Chairman & Executive

Director

Din : 00003040

Abhishekh Kanoi

Head Of Legal & Company

Secretary

M. No. FCS 9530

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

Note 1: Corporate information

PDS Limited (Formerly PDS Multinational Fashions Limited) is a Public Limited Company (hereinafter referred as 'the Company') domiciled in India and has its registered office at Unit No.971, Solitaire Corporate Park, Andheri Ghatkopar Link Road, Andheri (East), Mumbai- 400 093 Maharashtra. The Company along with its subsidiaries, associates and joint ventures (collectively referred to as "the Group"), is engaged in the trading of garments, investment holding, design, development, marketing, sourcing and distribution of readymade garments of all kinds and other consumer products worldwide. The Company is also engaged in the business of holding, owing, leasing or licensing real estate. The Company has its primary listings on the BSE Limited and the National Stock Exchange of India Limited.

Note 2: Statement of compliance

The consolidated financial statements are prepared on an accrual basis under the historical cost convention except for certain financial instruments which are measured at fair value. These consolidated financial statements have been prepared on going concern basis and in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements and the guidelines issued by Securities and Exchange Board of India, to the extent applicable.

The financial statements of the Group for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 11, 2023.

Going concern: The Board of Directors have considered the financial position of the Group as at March 31, 2023 and the projected cash flows and financial performance of the Group for at least twelve months from the date of these consolidated financial statements and believe that the plan for sustained profitability remains on course.

Basis of preparation and presentation

The consolidated 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 relevant accounting policies mentioned. The consolidated financial statements are presented in ₹ and all values are rounded to the nearest lakhs except where otherwise stated.

Recent accounting pronouncement

Standards issued but not effective on Balance Sheet date: The 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. On March 31 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are effective from annual period beginning on or after April 1, 2023. Details of which are given below:

Ind AS 107 - Financial instrument - The amendment substitutes the paragraph 21 - while presenting a Financial Statement an entity discloses material accounting policy information. Information about the measurement basis (or bases) for financial instruments used in preparing the financial statements is expected to be material accounting policy information. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 1 - Presentation of financial statements - The standard requires the entities to disclose their material accounting policies rather than significant accounting policies, which forms the basis of making material judgements.

Ind AS 8 - Accounting policies, changes in accounting estimates and errors - The standard has introduced a definition of 'accounting estimates' and included appropriate amendments to help entities distinguish changes in accounting policies from change in accounting estimates.

Ind AS 12 - Income Taxes - The standard has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Group has evaluated the afore mentioned amendments and there is no material impact on the consolidated financial statements.

Principles of consolidation

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

- (i) The financial statements of the subsidiaries, wholly owned foreign subsidiaries, its step down subsidiaries and its associates and joint ventures companies used in the consolidation are drawn upto the same reporting date as that of the Group i.e. March 31, 2023.
- (ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered. The Group controls an entity when the parent has power over the entity, it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

financial statements from the date on which control commences until the date on which control ceases.

- (iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's standalone financial statements.

Non-controlling interest (NCI)

Non-Controlling Interest (NCI) in the equity and results of the entities that are controlled by the Company is shown as a separate item in the Consolidated Financial Statements. The interest of non-controlling shareholders may be initially measured either at fair value or at the non controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the noncontrolling interest having a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments accounted for, using the equity method

Investments accounted for using the equity method are entities in respect of which, the Company has significant influence, but not control, over the financial and operating policies. Generally, a Company has significant influence if it holds between 20 and 50 percent of the voting power of another entity. Investments in such entities are accounted for using the equity method and are initially recognized at cost. The carrying amount of investment is increased/ decreased to recognize investors share of profit or loss of the investee after the acquisition date.

Changes in ownership interest without change in control

The Group treats transactions with Non-Controlling Interests (NCI) that do not result in a loss of control as transactions

with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interest and any consideration paid or received is recognised within equity.

The ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss where appropriate.

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the Consolidated Balance Sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquiree at the date of acquisition. Any excess of identifiable net assets over acquisition cost is recognised in the other comprehensive income on the acquisition date and accumulated in equity as capital reserve. Acquisition related costs are accounted for as expenses in the period in which they are incurred and the services are received.

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

The Details of subsidiaries and its step down subsidiary companies that have been considered in the preparation of the consolidated financial statements are as under:

(i) PDS Limited, holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Multinational Textile Group Limited	13.05.2014	Mauritius	100.00%	100.00%
Technocian Fashions Private Limited	20.03.2019	India	55.00%	55.00%
DIZBI Private Limited ³	10.07.2020	India	100.00%	60.00%

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Norlanka Brands Private Limited ⁵	01.02.2021	India	100.00%	75.00%
PDS Brands Private Limited	28.07.2021	India	100.00%	100.00%
DBS Lifestyle India Private Limited ¹	27.10.2022	India	51.00%	NA

(ii) Multinational Textiles Group Limited holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PDS Sourcing Limited	31.03.2006	Mauritius	100.00%	100.00%
Norwest Industries Limited	31.05.2006	Hong Kong	100.00%	100.00%
Casa Forma Limited	01.01.2012	United Kingdom	100.00%	100.00%
Multinational OSG Services Bangladesh Private Limited	02.02.2014	Bangladesh	99.97%	99.97%
Techno Design GMBH	14.02.2014	Germany	55.00%	55.00%
PDS Ventures Limited	25.11.2015	Mauritius	100.00%	100.00%
Blueprint Design Limited	30.06.2016	Hong Kong	100.00%	100.00%
PDS Global Investments Limited	01.04.2018	Hong Kong	100.00%	100.00%
Spring Near East FZCO	17.01.2019	United Arab Emirates	55.00%	55.00%
Techno Sourcing BD Limited	22.10.2019	Bangladesh	49.00%	49.00%
PDS Multinational FZCO	01.02.2021	United Arab Emirates	100.00%	100.00%
PDS Manufacturing Limited	22.03.2021	Mauritius	100.00%	100.00%

(iii) Norwest Industries Limited, holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Nor Lanka Manufacturing Limited ³	22.10.2008	Hong Kong	90.00%	90.00%
PDS Tailoring Limited	17.12.2010	Hong Kong	70.00%	70.00%
Spring Near East Manufacturing Company Limited	17.12.2010	Hong Kong	65.00%	65.00%
Design Arc Europe Limited	04.11.2011	Hong Kong	70.00%	70.00%
Rising Asia Star HongKong Limited	03.01.2012	Hong Kong	100.00%	100.00%
Clover collection Limited	27.08.2012	Hong Kong	100.00%	100.00%
Design Arc Asia Limited	18.12.2012	Hong Kong	100.00%	100.00%
Kleider Sourcing Hong Kong Limited	24.10.2013	Hong Kong	51.00%	51.00%
PDS Brands Manufacturing Limited	24.10.2014	Hong Kong	100.00%	100.00%
Krayons Sourcing Limited	16.12.2014	Hong Kong	75.00%	75.00%
Sourcing Solutions Limited	12.03.2015	Hong Kong	100.00%	100.00%
JJ Star Industrial Limited	28.04.2015	Hong Kong	57.50%	57.50%
360 Notch Limited	31.07.2015	Hong Kong	100.00%	100.00%
Twins Asia Limited	27.07.2015	Hong Kong	100.00%	100.00%
Fareast Vogue Limited	26.07.2016	Hong Kong	60.00%	60.00%
PDS Far-east Limited	23.08.2016	Hong Kong	100.00%	100.00%
Kindred Brands Limited	23.08.2016	Hong Kong	57.50%	57.50%
Styleberry Limited	13.09.2016	Hong Kong	100.00%	100.00%
PDS Far East USA, Inc.	11.07.2017	United States of America	100.00%	100.00%
Jcraft Array Limited	12.04.2018	Hong Kong	85.00%	85.00%
Casa Collective Limited	19.01.2018	HongKong	75.00%	75.00%



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Brand Collective Limited	30.09.2020	Hong Kong	55.00%	55.00%

(iv) Design Arc Europe Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Design Arc Europe SPA	17.11.2011	Spain	100.00%	100.00%

(v) Nor Lanka Manufacturing Company Limited holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Nor Lanka Manufacturing Colombo Limited	13.08.2012	Sri Lanka	100.00%	100.00%
Norlanka Progress Private Limited	20.10.2015	Sri Lanka	100.00%	100.00%
LillyandSid Limited	10.03.2020	United Kingdom	55.00%	55.00%

(vi) PDS Sourcing Limited (Formerly known as Global Textiles Group Limited) holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Pacific Logistics Limited	27.10.2003	United Kingdom	100.00%	100.00%
Poeticgem Limited	30.03.2006	United Kingdom	100.00%	100.00%
Zamira Fashion Limited	20.09.2007	Hong Kong	67.00%	67.00%
FX Import Company Limited	26.03.2008	United Kingdom	100.00%	100.00%
PG Group Limited	13.05.2008	Hong Kong	51.00%	51.00%
Simple Approach Limited ³	30.11.2008	Hong Kong	85.00%	75.00%
PDS Smart Fabric Tech Limited	19.01.2009	Hong Kong	100.00%	100.00%
Poetic Knitwear Limited	31.03.2009	United Kingdom	100.00%	100.00%
PDS Asia Star Corporation Limited	24.10.2012	Hong Kong	60.00%	60.00%
Techno Design HK Limited	02.11.2012	Hong Kong	55.00%	55.00%
Poeticgem International Limited	27.09.2013	Hong Kong	100.00%	100.00%
Poetic Brands Limited	15.01.2015	United Kingdom	60.00%	60.00%
Grupo Sourcing Limited	15.03.2016	Hong Kong	51.00%	51.00%
Design Arc UK Limited	21.10.2016	United Kingdom	85.00%	85.00%
PDS Fashions Limited	03.07.2018	United Kingdom	100.00%	100.00%
Spring Design London Limited	13.05.2021	United Kingdom	100.00%	100.00%
PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited)	28.02.2020	Hong Kong	100.00%	100.00%
PDS Fashions Hong Kong Limited ¹	02.08.2022	Hong Kong	100.00%	NA
PDS Sourcing Hong Kong Limited ²	10.10.2022	Hong Kong	100.00%	NA
PDS Design Services Limited ²	08.12.2022	Hong Kong	100.00%	NA
PDS Lifestyle Limited ²	08.12.2022	Hong Kong	100.00%	NA

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(vii) PDS Manufacturing Limited holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Progress Manufacturing Group Limited	17.07.2015	Hong Kong	97.00%	97.00%
Green Apparel Industries Limited	15.03.2016	Hong Kong	75.00%	75.00%

(ix) PG Group Limited holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PG Home Group Limited	13.05.2008	Hong Kong	90.00%	90.00%
PG Shanghai Manufacturer Co. Limited	08.06.2012	China	100.00%	100.00%
PG Group SPA ²	24.01.2023	CHILE	100.00%	NA

(x) PDS Multinational FZCO holds the following subsidiaries;

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Twins Asia FZCO	17.01.2019	United Arab Emirates	75.00%	75.00%
Kleider Sourcing FZCO	17.01.2019	United Arab Emirates	41.00%	41.00%
Design Arc FZCO	17.01.2019	United Arab Emirates	75.00%	75.00%
Clover Collections FZCO	20.02.2020	United Arab Emirates	75.00%	75.00%
Poeticgem International FZCO	01.02.2021	United Arab Emirates	65.00%	65.00%
PG Capital FZE	27.09.2021	United Arab Emirates	100.00%	100.00%
PDS Brands Manufacturing FZCO	01.01.2022	United Arab Emirates	100.00%	100.00%
Collaborative Sourcing Services	25.07.2022	United Arab Emirates	100.00%	NA
PDS Logistics FZCO ²	03.10.2022	United Arab Emirates	100.00%	NA
PDS Sourcing FZCO ²	26.10.2022	United Arab Emirates	100.00%	NA
PDS Global Procurement Service FZCO ²	22.03.2023	United Arab Emirates	100.00%	NA

(xi) PDS Ventures Limited (Formerly Smart Notch Industrial Limited) has following Associate/ Subsidiary

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Loop Digital Wardrobe Limited	15.09.2021	United Kingdom	34.00%	34.00%
Upcycle Labs Limited (formerly Filkor Limited) ⁴	21.09.2021	United Kingdom	61.00%	50.00%

(xii) Krayons Sourcing Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
SKOPE Apparels FZCO ²	26.12.2022	United Arab Emirates	100.00%	NA
Infinity Fashion FZCO ²	26.12.2022	United Arab Emirates	100.00%	NA



Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(xiii) PDS Asia Star Corporation Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PDS Trading (Shanghai) Company Limited	31.12.2012	China	100.00%	100.00%

(xiv) Casa Collective Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Casa Collective Sourcing Limited ²	17.03.2023	Hong Kong	100.00%	NA

(xv) Simple Approach Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Simple Approach (Canada) Limited	02.05.2013	Canada	100.00%	100.00%
Simple Approach Bangladesh Private Limited ²	25.05.2022	Bangladesh	100.00%	NA

(xvi) Kleider Sourcing HongKong Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Kleider Sourcing Limited Bangladesh	10.08.2014	Bangladesh	99.97%	99.97%

(xvii) Zamira Fashions Limited holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Zamira Fashion Limited Zhongshan	26.06.2015	China	100.00%	100.00%

(xviii) Grupo Sourcing Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Grupo Sourcing Limited	02.05.2016	Bangladesh	99.98%	99.98%

(xix) Green Apparel Industries Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Green Smart Shirts Limited	04.05.2016	Bangladesh	99.98%	99.98%

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

(xx) PDS Ventures Limited (Formerly MultiTech Venture Limited) (Mauritius)

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PDS Ventures Limited (Formerly Smart Notch Industrial Limited)	28.12.2017	Hong Kong	100.00%	100.00%

(xxi) DBS Lifestyle India Private Limited holds the following subsidiary

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Suri Overseas Private Limited ¹	27.10.2022	India	100.00%	0.00%

(xxii) PDS Ventures Limited (Formerly Smart Notch Industrial Limited) (Hongkong)

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Apex Black Limited	28.12.2017	Hong Kong	65.00%	65.00%

(xxiii) Sourcing Solutions Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Sourcing Solutions Europe BVBA	01.04.2018	Belgium	50.00%	50.00%

(xiv) PDS Ventures Limited (Formerly MultiTech Venture Limited) (Mauritius) holds the following joint venture:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Redwood Internet ventures Limited	09.12.2015	Hong Kong	50.00%	50.00%

(xxv) Redwood Internet Ventures Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Digital Internet Technologies Limited	25.02.2016	Hong Kong	100.00%	100.00%

(xxvi) Progress Manufacturing Group Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Progress Apparels (Bangladesh) Limited	12.07.2015	Bangladesh	99.99%	99.99%

(xxvii) 360 Notch Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Smart Notch (Shanghai) Limited.	20.04.2018	China	100.00%	100.00%

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(xxviii) Poetic Brands Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Recovered Clothing Limited	24.07.2018	United Kingdom	75.00%	100.00%

(xxix) Recovered Clothing Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Sunny Up Limited ¹	26.05.2022	United Kingdom	100.00%	NA

(xxx) Design Arc UK holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Lily And Lionel London Limited ²	06.01.2023	United Kingdom	100.00%	NA
Design Arc Brands Limited ²	22.02.2023	United Kingdom	100.00%	NA

(xxv) Poeticgem International Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Kindred Fashion Limited	23.10.2018	Canada	100.00%	100.00%

(xxxii) PDS Smart Fabric Tech Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PDS Smart Fabric Tech UK Limited	07.09.2020	United Kingdom	100.00%	100.00%

(xxxiii) Techno Design HK Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Techno Design USA LLC	16.04.2020	USA	100.00%	100.00%

(xxxiv) PG Home Group Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PG Home Group SPA	31.07.2008	Chile	100.00%	100.00%

(xxxviii) Technocian Fashions Private Limited holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
S.O.T. Garments India Private Limited	01.12.2021	India	99.99%	99.99%
s.Oliver Fashion India Private Limited ¹	13.05.2022	India	99.99%	NA

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(xxxix) Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited) holds the following subsidiary:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Brand Collective Corporation Limited	29.11.2021	United Kingdom	100.00%	100.00%

(xxxv) PDS Brands Private Limited holds the following Joint Venture:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Digital Ecom Techno Private Limited	17.06.2016	India	42.14%	42.14%

(xxxvi) PG Capital FZE holds the following joint ventures:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Yellow Octopus EU Sp Zoo (Poland)	27.09.2021	Poland	50.00%	50.00%
Yellow Octopus EU spolka z ogranizzona	27.09.2021	Poland	50.00%	50.00%
One Stop Shop Solutions EU Sp. z.oo	27.09.2021	Poland	50.00%	50.00%
One Stop Shop Solutions spolka z ograniczona	27.09.2021	Poland	50.00%	50.00%
Yellow Octopus Ventures FZCO	27.09.2021	Poland	50.00%	50.00%

(xxxvii) PDS Multinational FZCO holds the following joint ventures:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Yellow Octopus-UK Limited (Formerly Yellow Octopus Fashion Ltd)	27.09.2021	United Kingdom	50.00%	50.00%

(xxxix) Multinational Textiles Group Limited holds the following associate:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
GWD Enterprises Limited	21.10.2010	United Kingdom	25.00%	25.00%

(xxxx) Yellow Octopus Ventures FZCO holds the following Associates:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
Reflaunt Pte Limited	27.09.2021	Singapore	26.00%	26.00%



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Controlled Trust

(xxxxi) PDS Limited holds the following Trusts:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2023	% of voting power held as at March 31, 2022
PDS Multinational Fashions ESOP Trust	27.07.2021	India	100.00%	100.00%

Notes:

- 1 Acquired during the year
- 2 Incorporated during the year
- 3 Acquired stake from the non-controlling interests during the year
- 4 Joint venture become subsidiary during the year

Note 3: Significant accounting policies

- a) 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.

b) Judgements, estimates and assumptions:

In the process of applying the Group's accounting policies, management has made the following judgements, estimates and assumptions which have the most significant effect on the amounts recognised in the consolidated financial statements:

i Revenue recognition and presentation

The Group assess its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that it is operating on a principal to principal basis in all its revenue arrangements. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Group and its business partners are reviewed to determine each party's respective role in the transaction.

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

The useful life and residual value of plant, property and equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence

of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

iii Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

iv Current tax and deferred tax

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are recorded accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets relating to certain temporary differences and tax losses are recognised as management considers it probable that future taxable profit will be available against which the temporary

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

differences or tax losses can be utilised. Where the expectations are different from the original estimates, such differences will impact on the recognition of deferred tax assets and deferred tax in the periods in which such estimates have been changed.

v Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Group assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognised in the Statement of Profit and Loss.

vi Impairment of inventories

Management reviews the ageing analysis of inventories of the Group at the end of each reporting period, and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The assessment of the provision amount required involves management judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying value of the inventories and the provision charge/write-back of provision for obsolete and slow-moving inventory items in the period in which estimate has been changed.

vii Impairment of goodwill

Goodwill recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than the carrying value. The recoverable amount of the asset or the cash generating units is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

viii Valuation of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing the fair values.

The judgements include consideration of inputs such as liquidity risks, credit risks and volatility in market. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

ix Provision for expected credit losses (ECL) on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type and customer type). The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic condition (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 42 to the consolidated financial statements.

x Defined benefit plan

The determination of the Group's obligation and cost for defined benefits is performed by independent actuary engaged by the Group and dependent on the selection of certain assumptions used by them in calculating such amounts. Those assumptions include among others, discount rates and future annual salary increases. In accordance with the Group's accounting policy for pension obligations, actual results that differ from the Group's assumptions are recognised immediately in other comprehensive income as and they occur. While the Group believes that the actuary's assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in the Group's assumptions may materially affects its pension and other retirement obligations.

xi Leases – estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities.



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for the year ended March 31, 2023

The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

xii Uncertainty relating to the global health pandemic on Covid-19

In assessing the recoverability of receivables, goodwill, PPE, intangible assets, and certain investments, the Group has considered relevant internal business projections, cash flows, and external information available up to the date of approval of these consolidated financial statements. The Group has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by Covid-19. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges. The impact of Covid-19 remains uncertain and may be different from what the Group has estimated as of the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

xiii Employee stock option plan

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The Group initially measures the cost of cash-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of

settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Black Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 47.

xiv Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

xv Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities:

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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All other liabilities are classified as non-current.

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

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the operation, the group has identified twelve months as its operating cycle.

c) Property, plant and equipment (PPE)

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. 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 within other income or expense (as applicable).

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Decommissioning costs : The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date.

Depreciation:

Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the estimated useful lives of assets. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortized over the lease term or the useful life of the assets, whichever is earlier.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful lives	
	India*	Foreign entities
Furniture and fixtures	10 years	3 - 5 years
Office equipments	5 years	NA
Vehicles	8 years	5 - 8 years
Electrical installations and equipments	10 years	NA
Buildings	60 years	NA
Computers	3 years	3 - 5 years
Plant and machinery	NA	4 - 5 years
Infrastructure	NA	5 years

* As per Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes indicate the carrying value may not be recoverable. If any such indication exists and carrying values exceed recoverable amounts such assets are written down to their recoverable amounts.

d) Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill is tested for impairment annually as at March 31, and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill is not amortised.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there



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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 each financial year end.

e) Investment property

(i) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property comprises freehold land and building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Group measures investment property using cost based measurement and, the fair value of investment property is disclosed in the notes to the financial statement. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss and other Comprehensive Income in the year of derecognition (as applicable).

(ii) Depreciation

Depreciation on investment property is provided, under the straight line method, pro rata to the period of use, based on their remaining useful lives.

f) Borrowing costs

Borrowing costs consists of interest and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds. 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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

g) Foreign currencies

Functional and presentational currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupees (₹) which is Group's presentation currency unless stated otherwise.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise and these are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that consolidated Balance Sheet.
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in Other Comprehensive Income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

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h) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Recognising revenue from major business activities

(i) Sale of goods

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon shipment or on delivery at the customer premises and on completion of performance obligation. Revenue is recognised at a transaction price allocated to the extent of performance obligation satisfied after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which

are levied on sales such as goods and services tax, etc. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which the Company is unable to make a reasonable estimate of return, revenue is recognised when the return period lapses or a reasonable estimate can be made.

Other operating revenues and other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Investment income

Investment income is recognized as and when the right to receive the same is established.

Handling fee income

Handling fee income is recognized in the period in which the services are rendered.

Commission income and management income

Commission income is recognized when the services are rendered.

Dividend income

Dividend income is recognized when the right to receive payment is established.

Rental income

Rental income is recognized when services are rendered and same becomes chargeable. Service Income comprises amounts billed for leasing out the property and other support services rendered to entities in accordance with terms of agreements entered into with them.

Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

Any other income is recognized on an accrual basis.



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i) Inventories

Inventories are measured at the lower of cost and net realisable value

The cost of inventories is based on the First-In, First-Out (FIFO) principle and include expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work in progress cost include an appropriate share of production overhead based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a

rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date of the relevant component, where such lease exists, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short term leases

the Group applies the short-term lease recognition practical expedient to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as

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revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the Statement of Profit and Loss so as to provide a constant periodic rate of charge over the lease terms.

k) Employee benefits

Short-term employee benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service.

Defined contribution plan: A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution scheme and contributions paid / payable are recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined benefit plan: A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the

estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities.

Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the Statement of Profit and Loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

- In case of foreign subsidiaries

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the projected unit credit method.

Other long-term benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/ losses, if any, are recognised immediately in the Statement of Profit and Loss.

Share based Compensation

The Group has equity-settled share-based remuneration plans for its employees. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being



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recorded as share premium.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as employee benefits expense with a corresponding increase in liabilities, over the vesting period. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

The Group has created an Employee Benefit Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

l) 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 events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provision, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation

or asset.

m) Financial instruments

i) Recognition and initial measurement

The Group initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

ii) Classification and subsequent measurement

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the nature of these instruments.

Investment in equity shares / reference shares in joint venture and associates is carried at cost in the financial statements.

iii) Derecognition

Financial assets

A financial asset (or, where applicable, a part of a financial asset) is derecognised (i.e. removed from the Group's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised 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 and loss.

iv) Offsetting

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

v) Impairment of financial assets

The Group recognises loss allowances using the

expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

n) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship with which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of the gain or loss on the hedging



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instrument for cash flow hedges is recognised directly in other comprehensive income in the hedging reserve, while any ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts recognised in other comprehensive income are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in other comprehensive income are transferred to the initial carrying amount of the non-financial asset or non-financial liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, the amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction occurs or the foreign currency firm commitment is met.

o) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss. Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) 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:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

q) Taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit or Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period in the respective jurisdiction/ country. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized

Summary of significant accounting policies and other explanatory information

for the year ended March 31, 2023

amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. 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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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.

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.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. (If any)

s) Earnings per share (EPS)

In determining earnings per share, the Group considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- For the purpose of calculating diluted earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

t) Segment reporting

The Group has the policy of reporting the segments in a manner consistent with the internal reporting provided to the Chief Decision Maker. The Chief Decision Maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment

	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Computers	Right to use assets	Total
Gross Carrying Value										
Balance as at April 01, 2021	886.54	10,287.73	10,223.18	6,787.63	3,306.48	1,268.08	8,765.66	1,751.40	11,485.63	54,762.35
Additions/ transfers during the year	-	535.05	485.08	447.18	930.21	250.22	1,166.99	312.63	7,346.22	11,473.59
Disposals during the year	-	(14.95)	(29.65)	(356.58)	(352.04)	(229.95)	(647.76)	(153.23)	(628.54)	(2,412.71)
Effect of changes in exchange rates	31.30	229.17	141.03	82.28	48.18	15.20	94.13	35.97	154.60	831.86
Balance as at March 31, 2022	917.84	11,037.00	10,819.63	6,960.52	3,932.84	1,303.56	9,379.02	1,946.76	18,357.92	64,655.09
Additions/ transfers during the year	60.99	288.94	1,046.77	1,295.48	808.08	0.41	1,718.92	337.52	3,617.92	9,175.03
Disposals during the year	-	(16.02)	(3.33)	(1,022.78)	(396.97)	(209.08)	(569.91)	(24.18)	(93.42)	(2,335.70)
Effect of changes in exchange rates	(111.98)	(514.74)	(994.93)	(743.87)	(55.30)	40.70	(301.58)	(31.83)	(235.50)	(2,949.04)
Balance as at March 31, 2023 (A)	866.85	10,795.18	10,868.14	6,489.35	4,288.64	1,135.59	10,226.45	2,228.27	21,646.92	68,545.38
Accumulated depreciation										
Balance as at April 01, 2021	-	1,922.60	3,481.93	3,937.97	2,299.13	942.81	6,006.61	865.31	4,361.40	23,817.76
Depreciation charge for the year	-	715.95	823.83	571.35	390.50	77.59	1,145.99	244.41	2,619.04	6,588.66
Disposals during the year	-	(14.95)	(27.79)	(348.00)	(351.14)	(201.50)	(637.71)	(150.85)	(145.78)	(1,877.73)
Adjustment during the year	-	-	-	3.21	3.85	-	16.49	3.86	-	27.41
Effect of changes in exchange rates	-	(115.44)	58.52	53.57	43.02	14.66	134.27	29.36	(56.58)	161.37
Balance as at March 31, 2022	-	2,508.15	4,336.49	4,218.09	2,385.36	833.55	6,665.64	992.10	6,778.08	28,717.47
Depreciation charge for the year	-	527.15	784.35	665.77	595.42	72.34	1,270.13	268.03	3,304.65	7,487.85
Disposals during the year	-	(16.02)	(1.12)	(937.50)	(464.63)	(138.68)	(549.44)	(1.99)	(145.78)	(2,255.15)
Effect of changes in exchange rates	-	51.27	(276.51)	(601.56)	66.03	80.58	51.90	(53.24)	275.05	(406.48)
Balance as at March 31, 2023 (B)	-	3,070.55	4,843.21	3,344.81	2,582.18	847.79	7,438.23	1,204.90	10,212.01	33,543.68
Net book value										
Balance as at March 31, 2023 (A - B)	866.85	7,724.63	6,024.94	3,144.54	1,706.46	287.80	2,788.22	1,023.37	11,434.91	35,001.70
Balance as at March 31, 2022	917.84	8,528.85	6,483.15	2,742.42	1,547.48	470.00	2,713.38	954.67	11,579.83	35,937.62

The buildings is situated in Hong Kong (Norwest Industries Limited, a subsidiary of the Company), are pledged to secure the general banking facilities granted to the Norwest Industries Limited and subsidiaries of the Group. The details are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value	3,839.49	3,548.44
Less: Accumulated depreciation	1,233.04	1,068.60
Net book value	2,606.45	2,479.84

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Note 5 : Capital work in progress

Particulars	As at March 31, 2023	As at March 31, 2022
Balance in the beginning of the year	313.59	468.18
Addition during the year	193.39	223.17
Capitalisation during the year	(107.55)	(377.76)
Foreign exchange fluctuation	16.22	-
Balance as at the year end	415.65	313.59

Note 6 : Investment property

	Freehold land	Building	Total
Gross carrying amount			
Balance as at April 01, 2021	68.81	15,467.48	15,536.29
Disposals during the year	-	(10,603.89)	(10,603.89)
Foreign exchange fluctuation	-	(24.70)	(24.70)
Balance as at March 31, 2022	68.81	4,838.89	4,907.70
Additions during the year	-	202.08	202.08
Disposals during the year	-	(2,254.93)	(2,254.93)
Foreign exchange fluctuation	-	(131.09)	(131.09)
Balance as at March 31, 2023	68.81	2,654.95	2,723.76
Accumulated depreciation			
Balance as at April 01, 2021	-	5,570.17	5,570.17
Disposals during the year	-	(5,220.34)	(5,220.34)
Depreciation charge for the year	-	65.55	65.55
Foreign exchange fluctuation	-	5.29	5.29
Balance as at March 31, 2022	-	420.68	420.68
Disposals during the year	-	(153.51)	(153.51)
Depreciation charge for the year	-	51.18	51.18
Foreign exchange fluctuation	-	(70.59)	(70.59)
Balance as at March 31, 2023	-	247.76	247.76
Net book value			
Balance as at March 31, 2023	68.81	2,407.19	2,476.00
Balance as at March 31, 2022	68.81	4,418.21	4,487.02
a) Fair value			
Balance as at March 31, 2023	3,806.25	1,961.86	5,768.11
Balance as at March 31, 2022	3,806.25	4,948.90	8,755.15

b) Information regarding income and expenditure pertaining to investment properties of the Group is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Rental Income derived from investment property	398.03	419.36
Less: Direct operating expenses	125.51	296.49
Profit arising from investment property before depreciation	272.52	122.87
Less: Depreciation	134.90	65.55
Profit arising from investment property	137.62	57.32

c) Minimum lease rent receivable: In respect of investment property of the Group given on lease, the future minimum lease payments receivable for non-cancellable period is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Not later than 1 year	49.71	410.65
Later than 1 year but not later than 5 years	70.42	184.90
Total	120.13	595.55

d) The above schedule of investment property includes :

- Property of the Company situated at Udyog Vihar, Gurugram, Haryana in India. The investment property comprises two class of assets - Land and Building - based on the nature, characteristics and risks of the property. The fair value of such property is ₹5,768.11 (land: ₹3,806.25 and building: ₹1,961.86) (2022- ₹5,768.11 (land: ₹3,806.25 and building: ₹1,961.86))



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 6 : Investment property (Contd..)

- ii) During the year ended March 31, 2022, there were Investment property in United Kingdom held by Poeticgem Limited. the group has sold entire stake (Fair value as at March 31, 2022 : GBP 3,000,000 (₹2,987.04)).
- iii) As at March 31, 2022 the investment property was pledged to secure the general banking facilities granted to the Poeticgem Limited. In the opinion of the Directors, the open market value of the property is not materially different from the stated amount. The details are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying value	-	2,317.50
Less: Accumulated depreciation	-	148.94
Net book value	-	2,168.56

- e) The fair value of investment property is ₹ 8,755.15 (31 March 2022: ₹ 5,768.11) and the same has been determined by an external independent registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Fair valuation of investment property is based on the sales comparable method for land and depreciated replacement cost method for built up structure. The fair value measurement is categorized in Level 3 of fair value hierarchy. Market approach has been considered for carrying out the value of the land and building and building depreciation method is used to carry out the value of building.

Note 7 : Goodwill

Particulars	Amount
Gross carrying amount	
Balance as at April 01, 2021	5,032.03
Exchange difference	144.22
Balance as at March 31, 2022	5,176.25
Acquisition of a subsidiary (Refer Note 46)	2,335.45
Exchange difference	469.57
Balance as at March 31, 2023	7,981.27

Allocation of goodwill to Cash Generating Units

Particulars	As at March 31, 2023	As at March 31, 2022
Poeticgem, Poeticgem International, Poetic Brands, Design Arc UK and Design Arc Asia	2,136.27	1,970.38
Simple Approach	1,865.35	1,720.50
DBS Lifestyle India Private Limited	1,603.26	-
Nor Lanka Manufacturing	953.60	879.55
Lily and Sid	657.45	605.82
Upcycle labs	549.76	-
Sunny up Limited	215.58	-
	7,981.27	5,176.25

Impairment testing for Goodwill

For impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of each CGU.

The recoverable amount of the CGU is determined on the basis of Higher of value in use or Fair Value Less Cost of Disposal (FVLCD). The recoverable amount of the CGU is determined based on the discounted cash flow approach, using the discount rate and terminal income growth rate from unobservable market data by an accredited independent valuer for the year ended March 31, 2023 on May 01, 2023. The discount rate applied to the cash flow projections is within the range of 10.00%-21.00% and cash flows beyond the five-year period were extrapolated using a growth rate of 2.50%-3.00%, which was the same as the long term average growth rate of the garment products industry in the respective geographies. The fair value measurement is categorised as a level 3 fair value based on the inputs in the valuation techniques used.

Goodwill acquired through business combinations have been allocated to the reporting units for impairment testing. As at March 31, 2023, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 8 : Intangible assets

The following table presents the reconciliation of changes in the carrying value of other intangible assets in the Group:

Particulars	Computer software	Trade marks	Total
Gross carrying amount			
Balance as at April 01, 2021	1,071.33	0.90	1,072.23
Acquired/internally developed	442.80	-	442.80
Exchange difference	238.36	-	238.36
Balance as at March 31, 2022	1,752.49	0.90	1,753.39
Add: Additions during the year	3,011.86	-	3,011.86
Disposals during the year	(500.63)	-	(500.63)
Exchange difference	50.88	-	50.88
Balance as at March 31, 2023	4,314.60	0.90	4,315.50
Amortisation			
Balance as at April 01, 2021	637.97	0.80	638.77
Add: Amortisation charge for the year	336.50	0.10	336.60
Exchange difference	43.82	-	43.82
Balance as at March 31, 2022	1,018.29	0.90	1,019.19
Add: Amortisation charge for the year	479.16	-	479.16
Exchange difference	(93.15)	-	(93.15)
Balance as at March 31, 2023	1,404.30	0.90	1,405.20
Net carrying value			
Balance as at March 31, 2023	2,910.30	-	2,910.30
Balance as at March 31, 2022	734.20	-	734.20

Note 8A : Intangible assets under Development

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under Development	349.31	10.34
Total	349.31	10.34

Projects in progress	As at March 31, 2023	As at March 31, 2022
Less than 1 year	349.31	-
1-2 years	-	1.26
2-3 years	-	9.08
Total	349.31	10.34

Movement in intangible assets under development

Particulars	Total
Balance as at April 1, 2021	9.08
Add: Additions during the year	1.26
Less: Capitalised during the year	-
Balance as at March 31, 2022	10.34
Add: Additions during the year	349.31
Less: Capitalised during the year	(10.34)
Balance as at March 31, 2023	349.31

Note 9A : Investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Fair value through profit or loss (refer note 'a' below)				
Equity investments - refer note (i) and (vi) below	57.00	2,067.03	57.00	3,687.22
Debt investments - refer note (ii) below	-	3,237.80	-	153.23



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 9A : Investments (Contd..)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Investment in convertible notes - refer note (iii) below	1,887.38	-	1,961.46	-
Investment in funds	4,024.61	-	2,162.75	-
Other investments - refer note (iv) and (v) below	2,990.27	-	2,818.12	-
Total (A)	8,959.26	5,304.83	6,999.33	3,840.45
Fair value through other comprehensive income				
Equity instruments (refer note 'b' below)	17,791.07	-	11,436.20	-
Total (B)	17,791.07	-	11,436.20	-
Total [C= (A+B)]	26,750.33	5,304.83	18,435.53	3,840.45
Aggregate amount of quoted investments and market value	-	-	-	-
Aggregate amount of unquoted investments	26,750.33	5,304.83	18,435.53	3,840.45
Aggregate amount of impairment in value of investments	-	-	-	-
	26,750.33	5,304.83	18,435.53	3,840.45

Note:

a) Financial assets at fair value through profit or loss :

- The above listed equity instruments as at March 31, 2023 and March 31, 2022 were classified as financial assets at fair value through profit or loss as they were held for trading.
- The above listed debt instruments and Investment in Funds as at March 31, 2023 and March 31, 2022 were classified as financial assets at fair value through profit or loss as they were held for trading.
- The above listed convertible notes as at March 31, 2023 and March 31, 2022 were classified as financial assets at fair value through profit or loss as because of derivative component.
- The Group entered into three life insurance policies with an insurance company to insure an Executive Director under which the Group is the beneficiary. The Group paid upfront premiums for these policies and may surrender any time by filing a written request and receive cash based on the surrender value of the policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the management, the surrender values of the policies provided by the insurance company are the best approximation of their fair values, which are categorised within Level 2 of the fair value hierarchy.
- As at March 31, 2023, the Group's unlisted investments with an aggregate carrying value of ₹ 2,987.90 (March 31, 2022: ₹ 2,678.69) were pledged to secure the general banking facilities granted to the Group.
- The below mentioned equity investments as at March 31, 2023 were designated by the Group as financial assets at fair value through profit or loss and are stated at fair value.

Particulars	As at March 31, 2023	As at March 31, 2022
Equity investments, at fair value		
Parc Designs Private Limited 5,70,000 equity shares of ₹10 each (March 31, 2022: 5,70,000 equity shares of ₹10 each)	57.00	57.00
Investment in equity shares of listed companies	2,067.03	3,687.22
Total	2,124.03	3,744.22

b) Financial assets at fair value through other comprehensive income:

Equity investments, at fair value

Name of the investee entity	Investment instrument	As at March 31, 2023	As at March 31, 2022
Alacrity Law Limited	Equity Shares	208.30	207.55
Atterley.Com Holding Limited	Equity Shares	785.61	1,619.17
Brand Kreations Limited	Equity Shares	1,067.99	619.48
Cerebra Technologies, Inc.	Preference shares	112.35	150.62

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 9A : Investments (Contd..)

Name of the investee entity	Investment instrument	As at March 31, 2023	As at March 31, 2022
Ethical Fashion Group Limited	Equity Shares	170.68	157.75
Fertifa Limited	Equity Shares	105.78	49.81
Good On You Pty Limited	Equity Shares	169.81	254.95
Hydrocotton Limited	Equity Shares	3,783.96	1,730.54
Maudi Group Inc.	Equity Shares	-	239.74
M-Xr Limited	Equity Shares	153.45	149.42
Style Theory Private Limited	Compulsory convertible preference shares	84.44	225.93
Symbioco Limited	Equity Shares	294.65	286.91
War Paint Men'S Grooming Limited	Equity Shares	132.26	199.22
Clinova Limited	Equity Shares	642.21	345.15
Juhu Exchange Limited	Preference Shares	277.60	283.85
Bedfolk Limited	Equity Shares	444.98	433.29
Big Thinx, Inc.	Equity Shares	334.21	188.28
Boy Smells Inc.	Equity Shares	-	248.04
Brandlab 360	Equity Shares	74.83	72.87
Brawn Power Limited	Equity Shares	130.49	127.06
Co Commerce Shopping Platdorm Limited	Equity Shares	252.71	226.51
By Rotation Limited	Equity Shares	51.15	49.81
City Brands Limited	Equity Shares	51.17	49.83
Coat Trading Limited	Equity Shares	166.76	49.80
Fable Home Inc.	Equity Shares	1,068.47	290.31
Vyner Works Limited	Equity Shares	-	348.64
Haeckels Limited	Equity Shares	280.30	280.10
Hide Biotech Limited	Equity Shares	51.15	49.81
Kavida Technologies Limited	Equity Shares	42.62	41.50
Love The Sales Limited	Equity Shares	656.28	498.28
Maude Group Inc.	Equity Shares	652.69	218.93
Ray Studios	Equity Shares	63.84	49.91
Asian Court Holding Inc.	Equity Shares	108.58	75.31
To The Marekt Inc.	Equity Shares	268.75	344.53
True Capital - Zwift LP Share	Equity Shares	715.75	655.90
Unmind Limited	Equity Shares	204.74	197.84
Zen Industries Limited	Equity Shares	525.89	419.55
Monolith AI	Preference shares	176.97	-
Buzz Solutions	Preference shares	149.77	-
Unspun	Preference shares	192.74	-
Viabot	Equity Shares	128.26	-
Arpalus Limited	Equity Shares	27.99	-
Satis.ai.Limited	Equity Shares	38.36	-
Inde Wild	Equity Shares	134.74	-
Urban Legend	Equity Shares	76.39	-
Awe Inspired	Equity Shares	424.07	-
Shell Works	Equity Shares	165.20	-
Colorfix	Preference shares	337.53	-
Smartex	Preference shares	220.77	-
Joanna Dai	Equity Shares	153.45	-
IVY Connect	Preference shares	82.18	-
Fabacus	Equity Shares	236.27	-
EVRNU SPC	Equity Shares	216.58	-
10 Club	Preference shares	207.91	-
SHEEP INC	Equity Shares	263.91	-
Bonnet Limited - TRUE	Equity Shares	176.97	-
BioFluff Inc	Equity Shares	41.09	-
Warpfy	Equity Shares	205.46	-
Total		17,791.07	11,436.20



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 9B : Investments accounted for using the equity method

Name of the investee entity	As at March 31, 2023	As at March 31, 2022
Interest in Joint Ventures (refer note 'a' below)	9,573.47	9,219.72
Interest in Associates (refer note 'b' below)	207.04	443.55
Total	9,780.51	9,663.26

a) Investment in Joint ventures

Name	Investment details	Place of registration	Percentage of voting rights.		Principal activities
			March 31, 2023	March 31, 2022	
Redwood Internet Ventures Limited	Registered capital of USD 10,000 (₹ 8.22)	Hong Kong	50	50	E-commerce
Digital Internet Technologies Limited	Registered capital of USD 10,000 (₹ 8.22)	Hong Kong	50	50	
Digital Ecom Techno Private Limited	Authorised share capital of ₹ 100.00	India	50	50	
Yellow Octopus EU Sp. z o.o. sp.K.	Registered capital of PLN 100,000 (₹ 19.01)	Poland	50	50	Trading of garment products
Yellow Octopus Technologies Sp Zoo	Registered capital of PLN 100,000 (₹ 19.01)	Poland	50	50	
One stop Shop Solution Sp. z o.o.	Registered capital of PLN 100,000 (₹ 19.01)	Poland	50	50	
One Stop Shop Solutions Sp Zoo	Registered capital of PLN 100,000 (₹ 19.01)	Poland	50	50	
Yellow Octopus Fashion Limited	Registered capital of GBP 10,000 (₹ 10.14)	United Kingdom	50	50	
Upcycle Labs Limited (Ertswile known as Filkor Limited)*	Registered capital of GBP 1,000 (₹ 1.01)	United Kingdom	-	50	

*During the year, company has become subsidiary.

b) Investment in associates

Name	Amount of investment	Place of registration	Ownership interest	Voting power	Carrying value (₹ lakhs)	Principal activities
Loop Digital Wardrobe Limited	GBP 200,000 (₹ 202.78)	United Kingdom	34.00%	34.00%	159.84	Trading of garments
GWD Enterprises Limited	USD 800,070 (₹ 657.52)	United Kingdom	25.00%	25.00%	-	
Sourcing Solutions BVBA	EUR 60,000 (₹ 53.45)	Belgium	50.00%	50.00%	47.20	
Reflaunt Pte Limited	USD 750,000 (₹ 616.37)	Singapore	50.00%	50.00%	-	Trading of garments on e-commerce platform

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 10 : Other financial assets

	As at March 31, 2023	As at March 31, 2022
Non-current (unsecured, considered good)		
Security deposits (refer to note 'a' below)	0.01	0.01
Loan to others (refer note 'c' below)	165.25	1,134.53
Total (A)	165.26	1,134.54
Current (unsecured, considered good)		
Security deposits (refer to note 'a' below)	1,959.68	1,765.38
Deposits with original maturity of more than 12 months (refer to note 'b' below)	1.00	1.00
Interest accrued but not due	290.23	50.33
Dues from related party (refer note 36)	2,914.78	2,591.52
Derivative financial instruments (refer note 38)	55.64	277.22
Receivable from others (refer note 36)	2,442.25	2,065.72
Unbilled revenue	971.85	308.16
Total (B)	8,635.43	7,059.33
Total (A+B)	8,800.69	8,193.87

- a) The Group has determined its security deposits are not in the nature of loans and accordingly have been classified as part of other financial assets.
- b) Fixed deposits with a carrying amount of ₹ 1.00 (March 31, 2022: ₹ 1.00) are pledged with the government authorities.
- c) Loan to others represent interest free loan given to a director of a step down subsidiary of the Company

Note 11 : Other assets

	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital advances	77.12	226.15
Advances recoverable in cash or in kind		
- From others	0.01	148.11
Total (A)	77.13	374.26
Current		
Balance with government authorities	735.58	737.04
Prepaid expenses	4,533.97	2,562.96
Advances to suppliers	5,066.86	4,475.63
Advances to employees (refer note 36)	883.73	1,264.01
Advances recoverable in cash or in kind		
- From others	823.10	2,067.59
Total (B)	12,043.24	11,107.23
Total (A+B)	12,120.37	11,481.49

Note 12: Inventories* (at lower of cost or net realisable value)

	As at March 31, 2023	As at March 31, 2022
Raw materials	10,239.75	13,952.17
Work in progress	5,065.05	3,591.14
Finished goods	6,464.73	6,815.02
Goods-in-transit	3,804.68	6,166.38
Total	25,574.21	30,524.71

* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹ 2,020.49 (March 31, 2022: ₹ 371.74). These were recognized as an expense/reversal of expense respectively during the year and were included in cost of goods sold.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 13 : Trade receivables

	As at March 31, 2023	As at March 31, 2022
(a) Trade receivable considered good - secured	-	-
(b) Trade receivable considered good - unsecured	97,843.44	1,42,130.97
(c) Trade receivable which have significant increase in credit risk	-	-
(d) Trade receivable - credit impaired	625.18	828.62
	98,468.62	1,42,959.59
Less: Allowance for expected credit loss	625.18	828.62
Total	97,843.44	1,42,130.97

- a) There are no receivables at the reporting date having significant increase in credit risk.
- b) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
- c) The above impairment loss amounting to March 31, 2023 ₹ 625.18 (March 31, 2022: ₹ 828.62) related to trade receivables majorly from the subsidiaries namely Simple Approach Limited, Norwest Industries Limited, Poeticgem International Limited, Poetic Brands, Design Arc UK Limited and Techno design GMBH.
- d) Trade receivables are generally on terms of not more than 90 days.

e) Trade receivable ageing schedule:

	As at March 31, 2023	As at March 31, 2022
Less than 6 months	95,791.51	1,40,739.23
6 months - 1 year	522.96	1.43
1-2 years	1.58	1,344.78
2-3 years	1,527.39	45.53
More than 3 years	-	-
Total	97,843.44	1,42,130.97

Note 14 : Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
- Current account*	50,975.30	45,953.94
Cash on hand	149.57	46.26
Total	51,124.87	46,000.20

Note:

At March 31, 2023, the cash and bank balances of the Group denominated in RMB amounted to USD 5,68,979 (₹467.60) (2022: USD 51,017 (₹ 38.66)). RMB is not freely convertible into another currencies, however, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

* includes funds in transit amounting to ₹ 1,732.95 as at March 31, 2023 (March 31, 2022: ₹ 114.43) pertaining to PDS Ltd, Norwest Industries limited and Progress Apparels Bangladesh Limited, Green smart shirts Limited & Spring Near East Manufacturing Limited etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 15 : Bank balance other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Earmarked balances for share fraction account	1.15	1.15
Deposits with original maturity of more than 3 months but less than 12 months	21,786.68	20,483.35
Total	21,787.83	20,484.50

- a) The earmarked balance represents balance of share fraction account lying with bank.
- b) Deposits amounting to March 31, 2023 ₹17,119.61 (March 31, 2022: ₹15,435.05) are pledged to secure the general banking facilities granted to the Norwest Industries Limited and subsidiaries. The pledged time deposits are deposited with creditworthy banks with no recent history of default.

Note 16 : Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised share capital		
14,00,00,000 (March 31, 2022: 14,00,00,000) equity shares of ₹2/- each*	2,800.00	2,800.00
	2,800.00	2,800.00
Issued, subscribed and paid up		
13,02,33,620 (March 31, 2022: 13,02,33,620) equity shares of ₹2/- each*	2,604.67	2,604.67
Add: Issued during the year	13.88	-
Less: Treasury shares	(2.64)	(0.42)
	2,615.91	2,604.25

a) Reconciliation of issued and subscribed share capital:

	No. of shares
Balance as at April 1, 2021	13,02,33,620
Changes during the year	(21,225)
Balance as at March 31, 2022	13,02,12,395
Changes during the year#	5,83,100
Balance as at March 31, 2023	13,07,95,495

*Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on 29 July 2022, each equity share of face value of ₹10/- per share has been subdivided into 5 (five) equity shares of face value of ₹2/- per share.

During the year ended March 2023, the Company has issued 6,94,100 (March 31, 2022: Nil) equity shares to the employees who have exercised stock option as per stock option plan 2021. Further, the Company has purchased 1,11,000 (March 31, 2022: 21,225) equity shares through the ESOP trust.

- b) The Company has not issued any bonus shares or any shares for consideration other than cash during five years immediately preceding March 31, 2023.

c) Terms/ rights attached to equity shares:

- The Company has only one class of equity share having a par value of ₹2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 16 : Share capital (Contd..)

- 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.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares*	Holding %	No. of shares*	Holding %
Mrs. Payal Seth	6,93,76,210	52.99%	6,93,76,210	53.27
Mr. Deepak Kumar Seth	1,57,78,670	12.05%	1,57,78,670	12.12
Mr. Sanjiv Dhireshbhai Shah	80,91,830	6.31%	80,91,830	6.21

* The number of shares are given in absolute numbers.

e) Details of shareholding of Promoters:

Particulars	As at March 31, 2023		
	Number of shares	% of total shares	% change during the year
Mrs. Payal Seth	6,93,76,210	52.99%	-0.28%
Mr. Deepak Kumar Seth	1,57,78,670	12.05%	-0.07%
Mr. Pallak Seth	13,94,190	1.06%	-0.01%
Pearl Global Industries Limited	2,49,995	0.19%	-
Mrs. Shefali Seth	180	0.00%	-
NIM International Commerce LLP	180	0.00%	-
Mr. Pulkit Seth	5	0.00%	-

Particulars	As at March 31, 2022		
	Number of shares	% of total shares	% change during the year
Mrs. Payal Seth	6,93,76,210	53.27%	-
Mr. Deepak Seth	1,57,78,670	12.12%	-
Mr. Pallak Seth	13,94,190	1.07%	-
Pearl Global Industries Limited	2,49,995	0.19%	-
Mrs. Shefali Seth	180	0.00%	-
NIM International Commerce LLP	180	0.00%	-
Mr. Pulkit Seth	5	0.00%	-

Note 17 : Other equity

	As at March 31, 2023	As at March 31, 2022
Securities Premium (refer note (i) below)	1,134.94	-
Capital reserve (refer note (ii) below)	26,214.22	26,185.92
Restricted reserve (refer note (iii) below)	664.52	664.52
Other reserve (refer note (iv) below)	(10,412.88)	(6,792.17)
Retained earnings (refer note (v) below)	62,974.15	45,962.47
Foreign currency translation reserve (refer note (vi) below)	16,917.64	14,360.31
Hedging reserve (refer note (vii) below)	(80.88)	224.26
Financial instruments through other comprehensive income (refer note (viii) below)	2,491.32	2,021.15
Treasury shares (refer note (ix) below)	(402.90)	(57.73)
Stock Options Outstanding account (refer note (x) below)	3,565.19	2,064.21
Defined benefit obligation through other comprehensive income (refer note (xi) below)	(313.40)	3.00
	1,02,751.92	84,635.94

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 17 : Other equity (Contd..)

Note: For details, refer 'the Statement of Changes in Equity'

- i) During the year, Company has issued equity shares to its employees against employee stock options, the excess of grant price over face value and stock options reserve related to equity shares issued has been transferred to Securities Premium account.
- ii) During acquisition of a subsidiary or disposal, the excess of consideration received, over the net assets is treated as capital reserve.
- iii) Restricted reserve was created on account of redemption of preference shares made in a subsidiary in FY 2016. Such reserve is in the nature of 'Capital redemption reserve' and can be used for the issue of bonus shares.
- iv) Other reserves comprise gain or loss on change in proportion of equity interest held by non controlling interests that do not result in a change in control.
- v) Retained earnings are the profits that the Group earned till date, less any transfers to general reserve, dividends or other distribution paid to shareholders.
- vi) Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve.
- vii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges.
- viii) This represents the cumulative gains and losses arising on the revaluation of financial instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income.
- ix) Treasury shares are the shares purchased by the controlled trust from the external market for the benefit of employees.
- x) The fair value of equity-settled share based payment transactions is recognised in consolidated statement of profit and loss with corresponding credit to stock option outstanding account.
- xi) This represents the cumulative actuarial gains and losses arising on the revaluation of employee benefits measured at fair value through other comprehensive income that have been recognized in other comprehensive income.

Details of dividend distributions proposed:

	As at March 31, 2023	As at March 31, 2022
Proposed dividend on equity shares:		
Proposed dividend: ₹ 2.60/- per equity share of ₹ 2/- each (March 31, 2022: ₹ 4.77/- per equity share of ₹ 2/- each)	3,400.68	6,212.14
Total proposed dividend on equity shares	3,400.68	6,212.14

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and had not been included as a liability in these consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

Note 18 : Borrowings

	As at March 31, 2023	As at March 31, 2022
Non-current		
Secured loan		
- Vehicle loan from bank	-	10.77
- Term loan from bank	208.74	-
Less: Current maturities of long term borrowings (refer note 18)	(15.53)	-
Total (A)	193.21	10.77



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 18 : Borrowings (Contd..)

	As at March 31, 2023	As at March 31, 2022
Current		
Secured loan		
- From banks	56,538.17	60,580.06
Add: Current maturities of long term borrowings (refer note 18)	15.53	-
- Bank overdraft	2,557.56	1,740.52
- Import Loan	616.60	-
- Vehicle loan from bank	4.78	-
Unsecured loan		
- From directors	148.97	3.76
Total (B)	59,881.61	62,324.34
Total (A+B)	60,074.82	62,335.11

a) For interest rate and liquidity risk related disclosures, refer note 41.

b) The nature of security for the loans are :

(i) Vehicle loan

- Vehicle loan of ₹ 27.00 taken by the Company, from Axis Bank, during the year ended March 31, 2019 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 8.80% per annum (March 31, 2022: 8.80% per annum). The loan is repayable in 60 monthly instalments.

c) In case of term loan from bank, the terms are as under:

- Term loan carries an interest rate of 7% and will be paid in 120 monthly installments alongwith the interest due from the date of loan.
- Short term loan of as at March 31, 2023 is of ₹350.00 (March 31, 2022: ₹300.00) taken by the Company is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of short term loan is 120 Days and it carries rate of interest of 10.25% (March 31, 2022: 7.5%).
- Bank overdraft limit of ₹350.00 (March 31, 2022: ₹350.00) taken by the Company from Axis Bank is guaranteed by lien marked on the fixed deposit. The tenor of the loan is 12 months and it carries rate of interest of 9.25% per annum (March 31, 2022 - 9.25% per annum).
- Import loan facility of ₹2,000.00 (March 31, 2022: ₹1,500.00) taken by the Company is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 180 days and it carries rate of interest mutually agreed upon and linked to prevalent Bank MCLR.

d) Others:

- In case of secured loans (other than vehicle loan) of Norwest Industries Limited ('NIL') and its subsidiaries (NIL Group), these loans are secured by way of NIL Group's guarantees from the immediate holding company, fellow subsidiaries, directors of NIL, a related party, Group's investment property, unlisted investments and certain of NIL Group's insurance deposits. Also these loans contains repayable on demand clauses and hence the loans are shown as short term, though the repayment of these loans is spread more than an year.
- In case of banking facilities of Simple Approach Limited, Zamira fashions Limited, Techno Design HK Limited, PDS Asia Star Limited, Poeticgem International Limited, Green Apparel Industries Limited and Progress Manufacturing Group Limited, the banking facilities are secured by fellow subsidiaries' corporate guarantee, directors' personal guarantee, life insurance policy, bank guarantee and fellow subsidiary's properties.
- With respect to the loans of PG Group the interest-bearing bank borrowings are guaranteed by the immediate holding company and a director of the Company and these loans are repaid during the year ending March 31, 2023.
- Unsecured loan from director pertains to loan taken from the director by DBS Lifestyle India Private Limited. The said loan are repayable on demand and carries no rate of interest.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 18 : Borrowings (Contd..)

(v) Interest details of secured loans are as follows:

Entity name	Nature of loan	March 31, 2023	March 31, 2022
PDS Asia star Limited	Discounted bills	SOFR + 2.15% p.a.	LIBOR +2% p.a
	factoring		
	Import loans		
	Trust receipt loans		
Simple Approach Limited	Discounted bills	SOFR+2.15% p.a	LIBOR+2% p.a
	Trust receipt loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
Zamira Fashions Limited	Import loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
	Trust receipt loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
Poeticgem International Limited	Import loans	SOFR+2% to 2.4% p.a	LIBOR+2% to 2.4% p.a
	Trust receipt loans	SOFR+2% to 2.4% p.a	LIBOR+2% to 2.4% p.a
Techno Design HK Limited	Import loans	SOFR+2% p.a	LIBOR+2% p.a
Green Apparel Industries Limited	Term loan	SOFR+2.75% p.a	LIBOR+2.75% p.a
Progress Manufacturing Group Limited	Term loan	SOFR +2.75% p.a	LIBOR +2.75% p.a
PG Group Limited	Import loans	SOFR +2.0% p.a	LIBOR +2.0% p.a
Clover Collection FZCO	Import loans	SOFR +2.15% p.a.	SOFR+2% p.a.
	Trust receipt loans		
	Factoring	SOFR +1.50% p.a.	Nil
SPRING NEAR EAST FZCO	Factoring	SOFR +2% p.a.	Nil
Green Smart Shirts Limited	Bill discounting (HSBC)	3 Months term SOFR+2.75% p.a	LIBOR+3.5% p.a
	Trust receipt loans	SOFR +2% p.a.	Nil
	Factoring - HSBC	SOFR +1.50% p.a.	Nil
	Factoring - ENBD	SOFR +1.65% p.a.	Nil
	Bank overdraft	9% p.a.	Nil
	Import loans /UPAS	3 Months term SOFR+2.75% p.a	Nil
	Term loan	-	11% p.a
Progress Apparel (Bangladesh) Limited	Bill discounting	LIBOR+3.5% p.a	LIBOR+3.5% p.a
	Bank overdraft	LIBOR+3.5% p.a	LIBOR+3.5% p.a
	Import loans	LIBOR+2.75% p.a	LIBOR+2.75% p.a
	Trust receipt loans	LIBOR+3.5% p.a	LIBOR+3.5% p.a
Norwest Industries Limited and its subsidiaries	Import loans	USD SOFR*+2.15%, COF ^{^^^} +1.75% p.a	EURIBOR ^{^^^^} +2%, USD SOFR*+2.15% GBP SONIA**+2%
	Trust receipt loans	USD SOFR*+2.15%, LIBOR# +2%, COF ^{^^^} +1.75% p.a, SOFR ^{***} +3.5%, USD SOFR*+2.15%,	COF ^{^^} +2.0%, LIBOR# +3.5%, HIBOR [^] +2%, LIBOR# +2%, BFR ^{^^^} +1.75% p.a., EURIBOR# +2%, USD SOFR*+2.15%, GBP SONIA**+2%
	Bank overdraft	LIBOR# +3.75%, SOFR ^{***} +3.5%, HIBOR [^] +2%, BPLR ^{*****} +1.5% p.a,	LIBOR# +3.5%, HIBOR [^] +2%,
	Export Loan	USD SOFR*+2.15%	EURIBOR ^{^^^^} +2%, USD SOFR*+2.15% GBP SONIA**+2%

London Interbank Offered Rate ("LIBOR")

^Hong Kong Interbank Offered Rate ("HIBOR")

^^ Intesa Sanpaolo S.P.A.'s Cost of Funds ("COF")

^^^ BNP PARIBAS's Funding Rate ("BFR")

^^^^ Euro Interbank Offered Rate ("EURIBOR")

*HSBC Secured Overnight Financing Rate ("SOFR")

**HSBC GBP Sterling Overnight Index Average ("SONIA")



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 19 : Other financial liabilities

	As at March 31, 2023	As at March 31, 2022
Non-current		
Security deposit received (refer to note 'a' below)	82.45	-
Total (A)	82.45	-
Current		
Interest accrued but not due on borrowings from bank	0.25	0.25
Security deposit received	2.31	71.63
Derivative financial instruments (refer note 38)	69.01	83.77
Dues to employees (refer note 36)	3,659.85	4,729.04
Share Based payment liability	386.71	166.38
Dues to others	-	166.36
Due to related party (note 36)	151.09	1,473.54
Total (B)	4,269.22	6,690.97
Total (A+B)	4,351.67	6,690.97

- a) The Group has determined its security deposits are not in the nature of borrowings and accordingly have been classified as part of other financial liabilities.

Note 20 : Provisions

	As at March 31, 2023	As at March 31, 2022
Non-current		
Gratuity and other defined benefit plans (refer note 35)	2,222.41	1,716.46
Total (A)	2,222.41	1,716.46
Current		
Provision for compensated absences	1,252.87	1,214.40
Gratuity and other defined benefit plans (refer note 35)	272.37	462.54
Total (B)	1,525.24	1,676.94
Total (A+B)	3,747.65	3,393.40

Note 21 : Trade payable

	As at March 31, 2023	As at March 31, 2022
- Outstanding dues to Micro Enterprises and Small Enterprises - (refer note 'a' & 'c' below)	15.93	9.50
- Others (refer note 36)	1,12,469.11	1,56,622.43
Total	1,12,485.04	1,56,631.93

- a) In respect of the Company, as per Schedule III of the Companies Act, 2013 read with notification number GSR 719 (E) dated November 16, 2007, the amount due to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

	As at March 31, 2023	As at March 31, 2022
- the principal amount (March 31, 2023: ₹ 15.93, March 31, 2022: ₹ 9.50) and the interest (March 31, 2023: Nil, March 31, 2022: Nil) due thereon remaining unpaid to any supplier at the end of each accounting year;	15.93	9.50
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 21 : Trade payable (Contd..)

	As at March 31, 2023	As at March 31, 2022
- the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- b) The amount does not include any amount due to be transferred to Investor Education and Protection fund.
- c) Disclosure of payable to vendors as defined under the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

d) Ageing schedule:

Particulars	Accrued liabilities	As at March 31, 2023				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 year	Total
- Outstanding dues to Micro Enterprises and Small Enterprises	-	15.93	-	-	-	15.93
- Others	5,247.25	1,07,137.05	84.81	-	-	1,12,469.11
Total	5,247.25	1,07,152.98	84.81	-	-	1,12,485.04

Particulars	Accrued liabilities	As at March 31, 2022				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 year	Total
- Outstanding dues to Micro Enterprises and Small Enterprises	-	9.50	-	-	-	9.50
- Others	4,024.92	1,52,586.66	10.85	-	-	1,56,622.43
Total	4,024.92	1,52,596.16	10.85	-	-	1,56,631.93

Note 22 : Other liabilities

	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred income on security deposit received	48.18	60.59
Other payables	1.15	1.16
Total (A)	49.33	61.75
Current		
Deferred income on security deposit received	5.59	20.68
Statutory dues	414.92	1,234.03



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 22 : Other liabilities (Contd..)

	As at March 31, 2023	As at March 31, 2022
Advance from customers	2,746.49	704.18
Other payables	126.38	423.87
Total (B)	3,293.38	2,382.76
Total (A + B)	3,342.71	2,444.51

Note 23 : Liabilities for current tax (net)

	As at March 31, 2023	As at March 31, 2022
Provision for income tax, net of advance tax	3,815.06	2,713.74
Total	3,815.06	2,713.74

Note 24 : Income Tax

(a) Deferred tax, net

Particulars	As at March 31, 2023		As at March 31, 2022	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Deferred tax asset relates to the following:				
Provision for employee benefits	232.03	36.23	116.53	-
Property, Plant and Equipment	81.04	673.33	99.85	334.26
Provision for doubtful advances and debts	0.15	-	-	-
Lease liability	360.57	-	33.42	-
Brought forward losses and unabsorbed depreciation	1,189.50	-	1,198.08	-
FDR interest income	-	19.02	-	11.91
Deferred income on security deposit received	9.25	47.95	-	-
Valuation gain on Investment	-	117.62	-	-
Foreign currency Loss	64.78	-	-	-
Right of use of Assets	-	231.38	-	-
Others	28.85	4.41	50.29	16.68
	1,966.17	1,129.94	1,498.16	362.86
Deferred tax asset (net)	836.23	-	1,135.31	-
Deferred tax liability relates to the following:				
Provision for employee benefits	-	-	42.74	5.57
Property, plant and equipment	-	-	-	194.87
Lease liability	-	-	70.65	-
Depreciation	-	-	-	-
Others	-	-	15.32	213.41
	-	-	128.71	413.85
Deferred tax liability (net)	-	-	-	285.13
Charge/ (credit) for the year		13.95		(125.56)
Reconciliation to the consolidated Statement of Profit and Loss				
a. Charge/ (credit) for the year		13.95		(125.56)
b. Exchange differences		(155.42)		5.13
c. Recognised in statement of OCI		-		(5.57)
c. Others		(8.06)		47.47
Credit during the year		(149.53)		(78.53)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 24 : Income Tax (Contd..)

During the year ended March 31, 2020, the Holding Company had decided to exercise the option permitted under Section 115BBA of the Indian Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. The Company has recognised provision for income tax and deferred tax for the years ended March 31, 2023 and March 31, 2022, on the basis of the rate prescribed in the said section.

The Group has recognised deferred tax asset in respect of temporary differences in accordance with Ind AS 12 "Income tax" across the entities in various tax jurisdictions. Deferred tax asset created on unabsorbed depreciation of ₹ 10,070.54 (March 31, 2022: ₹ 8,825.59) can be carried forward indefinitely.

As at March 31, 2023, a subsidiaries of the Group has unused tax losses of ₹ 783.31 (March 31, 2022: ₹ 2,770.31) arising in Bangladesh and India, on which the Group has created a deferred tax asset of ₹ 137.83 (March 31, 2022: ₹ 277.03). Such tax losses expire between FY 2024 to FY 2027.

As at March 31, 2023, certain subsidiaries of the Group have unused tax losses arising in Mainland China of Nil (March 31, 2022: ₹ 38.20), on which no deferred tax asset had been created, that will expire in five years for off setting against future taxable profits. Another overseas subsidiary of the Group also had tax losses arising in Chile of ₹ 709.63 (March 31, 2022: ₹ 575.61), that are available indefinitely for off setting against future taxable profits of that subsidiary.

(b) Income tax expense in the Statement of Profit and Loss

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:

	As at March 31, 2023	As at March 31, 2022
Tax expense:		
a) Current tax	3,148.05	1,804.24
b) Deferred tax charge	(149.53)	(78.53)
Income tax expense reported in the Statement of Profit and Loss	2,998.52	1,725.71

(c) Reconciliation of tax expense for March 31, 2023 and March 31, 2022

	As at March 31, 2023	As at March 31, 2022
Accounting profit before income tax	35,675.36	31,007.80
Statutory rate	25.168%	25.168%
At statutory income tax rate (applicable rate)	8,978.78	7,804.05
Business losses where no deferred tax has been recognised	1,038.15	1,102.60
Net effect of tax rates in foreign jurisdictions	(4,548.41)	(3,159.14)
Income exempt from tax	(2,856.86)	(5,657.28)
Tax effect on Intercompany dividend	254.91	699.22
Non-deductible expenses	1,077.19	1,496.94
Reversal of provision for tax	(200.39)	(577.05)
Tax effect on Temporary Differences	(56.66)	-
Foreign tax credit	(795.21)	-
Others	107.02	16.37
At the effective income tax rate	2,998.52	1,725.71

Income tax recognised in other comprehensive income

	As at March 31, 2023	As at March 31, 2022
Deferred tax related to items recognised in other comprehensive income during the year:		
Net loss on remeasurements of defined benefit plans	10.17	(5.57)
Net amount charged to Other Comprehensive Income	10.17	(5.57)



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 25 : Revenue from operations

	Year ended March 31, 2023	Year ended March 31, 2022
Sale of goods (refer note 36 & 44)	10,34,549.05	8,68,029.01
Other operating revenues		
- Others (refer note 44)	23,151.37	14,792.37
Total	10,57,700.42	8,82,821.38

Note 26 : Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Rental income	398.03	419.36
Interest income		
- On fixed deposits	463.91	80.68
- Others	64.71	51.26
Gain on fair valuation of investments	-	610.66
Unwinding of discount on deposits	3.05	2.42
Sundry balance written back	78.10	104.35
Dividend from non trade investments	56.92	64.26
Other non-operating income	-	10.92
Gain on disposal of Investment property	3,648.86	-
Recovery income	-	812.94
Gain on disposal of subsidiary	-	4,073.89
Miscellaneous income	439.47	2,372.00
Total	5,153.05	8,602.74

Note 27 : Cost of material consumed

	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	13,952.17	9,307.82
Add: Purchases	73,025.43	55,597.39
Less: Inventory at the end of the year	10,239.75	13,952.17
Total	76,737.85	50,953.04

Note 28 : Purchase of stock in trade

	Year ended March 31, 2023	Year ended March 31, 2022
Purchases	8,02,576.40	6,94,826.60
Total	8,02,576.40	6,94,826.60

Note 29 : Changes in inventories of finished goods, work in progress and stock in trade

	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year		
- Finished goods	12,981.40	7,196.93
- Work-in-progress	3,591.14	3,208.07
Total (A)	16,572.54	10,405.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 29 : Changes in inventories of finished goods, work in progress and stock in trade (Contd...)

	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
- Finished goods	10,269.41	12,981.40
- Work-in-progress	5,065.05	3,591.14
Total (B)	15,334.46	16,572.54
(Increase)/Decrease in inventory (A-B)	1,238.08	(6,167.54)

Note 30 : Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	68,066.66	55,028.48
Contribution to provident and other fund (refer note 35)	3,705.92	3,103.75
Staff welfare expenses	907.82	689.59
Compensated absences	512.03	433.82
Gratuity expense (refer note 35)	787.31	600.38
Employee share compensation expense (refer note 48)	2,146.95	2,230.59
Total	76,126.69	62,086.61

Note 31 : Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense		
- on term loans	180.13	188.26
- on loan from related party (refer note 36)	-	22.98
- on cash credit, factoring and working capital facilities	6,019.02	2,233.95
- on vehicle loan	0.71	6.09
- on lease obligation (refer note 45)	636.33	316.25
- on others	564.21	485.50
Unwinding of discount on security deposit received	11.22	11.49
Total	7,411.62	3,264.52

Note 32 : Depreciation and amortization expense

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property plant and equipment	4,183.20	3,969.62
Depreciation of investment property	51.18	65.55
Amortization of intangible assets	479.16	336.60
Depreciation on right to use of assets	3,304.65	2,619.04
Total	8,018.20	6,990.81



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 33 : Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Other manufacturing expenses	615.14	518.82
Electricity charges	837.53	849.96
Rent (refer note 45)	724.87	1,041.21
Rates and taxes	533.94	539.12
Loss on fair valuation of investments	319.12	-
Repairs and maintenance	1,126.47	830.79
Legal and professional expenses	11,124.18	11,818.51
Software cost	845.82	374.65
Travelling and conveyance	5,654.82	2,611.57
Selling and marketing	5,877.94	3,856.62
Postage and courier	3,002.21	2,213.61
Commission and brokerage	5,431.24	2,505.94
Loss allowance for doubtful advances	132.82	1,255.29
Loss allowance for expected credit loss	-	310.48
Freight cost	5,206.89	8,193.66
Loss on sale of plant, property and equipment	36.38	33.26
Recruitment expenses	679.66	434.18
Foreign exchange fluctuation (net)	1,025.44	-
Royalty	3,739.00	4,125.66
Advertisement and business promotion	1,131.35	872.68
Insurance	1,105.72	955.03
Security expenses	157.76	137.86
Printing and stationery	585.11	465.55
Communication costs	752.34	677.31
Bank charges	1,496.23	675.87
Corporate social responsibility expenses	15.16	7.90
Research and development expenses	0.46	91.73
Investment management fee	192.72	181.27
Miscellaneous expenses	2,750.88	2,825.89
Total	55,101.20	48,404.42

Note 34 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year whereas diluted earning per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti- dilutive.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to the equity holders of the Company	26,497.84	24,840.99
Weighted average number of equity shares for basic EPS*#	13,05,31,747	13,02,24,320
Effect of dilution:		
Employee stock option plan	24,28,867	15,17,900
Weighted average number of equity shares for diluted EPS*#	13,29,60,614	13,17,42,220
Earning per Equity share (in ₹)		
Basic earnings per share (in ₹) (face value ₹2/- per share)	20.30	19.08
Diluted earnings per share (in ₹) (face value ₹ 2/- per share)	19.93	18.86

* Net of issue of shares and purchase of treasury shares of 583,100 (March 31, 2022 - 21,225)

#Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on 29 July 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share. During the year, Company has restated the EPS accordingly.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 35: Defined benefit plans

a) Defined contribution plans:

The Group makes contribution towards Employees Provident Fund, Mandatory Provident Fund retirement benefit scheme and Employee's State Insurance scheme across the various geographies in which it operates. Under the rules of these schemes, the Group is required to contribute a specified percentage of payroll costs. The Group during the year recognised the following amounts in the Consolidated Statement of Profit and Loss under contribution to defined contribution plans:

	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution to provident fund/ pension fund	3,705.83	3,103.66
Employer's contribution to employee state insurance	0.09	0.09
Total	3,705.92	3,103.75

The contribution payable to these schemes are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, which enable to determine the present value of obligations arising out of the defined benefit plans. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. Following are the benefit plans provided for -

- i) The Group operates an unfunded defined benefit gratuity plan for all its qualifying employees in India. Gratuity is calculated as 15 days' salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method.
 - ii) The Group operates an unfunded defined benefit plan for all its qualifying employees in Bangladesh. The Group has made provisions for estimated liabilities for employee benefits for meeting the minimum benefits required to be paid to the qualified employees as required under Bangladesh Labour Act. Under Bangladesh Labor Act, companies are required to pay a minimum benefit of fourteen days salary for every completed year of service. For unfunded scheme, the Group engages the services of actuaries to conduct valuation studies to determine the retirement obligations to ensure that these maturing obligations and expected benefit payments are covered and budgeted for. Benefits are determined by reference to employees' final salaries and length of service, and the schemes have undergone independent valuations on an annual basis.
- c) The following tables summarize the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and amounts recognised in the Balance Sheet for the defined benefit plans. These have been provided on accrual basis, based on year end actuarial valuations.

	Year ended March 31, 2023	Year ended March 31, 2022
Opening defined benefit obligation	2,179.00	1,908.76
Acquisition adjustment	26.27	-
Add: Interest cost	120.39	130.67
Add: Current service cost	666.92	469.72
Less: Benefits paid	(181.41)	(289.87)
Add: Actuarial (gain) / loss	(316.40)	(40.28)
Present value of obligation as at the end of the year	2,494.77	2,179.00



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 35: Defined benefit plans (Contd..)

d) The following tables summarise the net benefit expense recognised in:

i) Statement of Profit and Loss:

	Year ended March 31, 2023	Year ended March 31, 2022
Cost for the year included under employee benefit		
Current service cost	666.92	469.71
Interest cost	120.39	130.67
Net cost	787.31	600.38

ii) Other comprehensive income:

	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial gain/(loss)	(316.40)	40.28
Total	(316.40)	40.28

e) Principal actuarial assumptions at the balance sheet date are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Economic assumptions		
1) Discount rate	7.0-8.9%	6.5-7.6%
2) Rate of increase in compensation levels	5.0-9.0%	5.0-9.0%
Demographic assumptions		
1) Retirement age (years)	58-60 Years	58-60 Years
Employee Turnover / Attrition rate		
1) Ages up to 30 years	1.5% - 9.2%	1.5% - 9.2%
2) Ages from 30-44	1.5% - 9.2%	1.5% - 9.2%
3) Above 44 years	1.5% - 9.2%	1.5% - 9.2%

f) Net liabilities recognized in the Balance Sheet for benefit obligation

	As at March 31, 2023	As at March 31, 2022
Present value of obligation	2,494.78	2,179.00
Net liability	2,494.78	2,179.00

g) The weighted average duration of the defined benefit obligations are in the range of 7.13 - 17.61 years (March 31, 2022: 6.34 - 17.74 years).

h) A quantitative sensitivity analysis for significant assumptions is as shown below:

Particulars	As at March 31, 2023 increase/ (decrease) in liability	As at March 31, 2022 increase/ (decrease) in liability
A. Discount rate	Impact on liability	
0.5% increase in discount rate	(88.01)	(93.99)
0.5% decrease in discount rate	95.02	102.13
B. Salary escalation rate		
0.5% increase in salary escalation rate	95.11	102.24
0.5% decrease in salary escalation rate	(89.05)	(94.98)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 35: Defined benefit plans (Contd..)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to morality and withdrawals are not expected to be significant.

i) Description of risk exposures:

Salary increases	Actual salary increases will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Morality and disability	Actual details and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawals rates at subsequent valuations can impact defined benefit liability.

j) Maturity profile of defined benefit obligation is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	284.36	136.71
2 to 6 years	330.50	404.92
More than 6 years	1,446.27	1,314.47

- k) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 36 : Related parties disclosure

a) List of related parties

Name of related party	Nature of relationship
Digital Ecom Techno Private Limited	Joint ventures
Redwood Internet Ventures Limited	
Digital Internet Technologies Limited	
Yellow Octopus EU Sp. Z.oo (Poland)	
Yellow Octopus EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa	
One Stop Shop Solutions EU Sp. Z.oo	
Yellow Octopus Ventures FZCO	
One Stop Shop Solutions EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)*	
Yellow Octopus-UK Limited (formerly Yellow Octopus Fashion Limited)	
GWD Enterprises Limited	Associates
Loop Digital Wardrobe Limited	
Sourcing Solution Europe BVBA	
Reflaunt Pte Limited	
Pearl Global Industries Limited	Enterprise over which KMP exercise control or significant influence.
Frou Holding Limited	
JSM Trading FZE	
Mrs. Payal Seth (Director)^	Key managerial personnel (KMP)
Mr. Deepak Seth (Director)	
Mr. Pallak Seth (Executive Director)&	
Mr. Ashok Kumar Sanghi (Independent Director)^ ^	
Mr. Ashutosh Prabhudas Bhupatkar (Independent Director)^ ^	
Ms. Saraswathy Venkateswaran (Independent Director)^ ^	
Mr. Parth Gandhi (Non Executive-Non Independent Director)^ ^	



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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Related parties disclosure (Contd..)

Name of related party	Nature of relationship
Mr. Nishant Parikh (Non Executive -Independent Director)^ ^	
Mr. BG Srinivas (Additional Non-Executive -Independent Director)&&	
Mr. Mungo Park (Non Executive -Independent Director)^ ^	
Mrs. Yael Gairola (Non Executive -Independent Director)^ ^	
Mr. Robert Sinclair (Non Executive- Independent Director)^ ^	
Mr. Ashok Kumar Chhabra (Independent Director)^ ^	
Mr. Sanjay Jain (Chief Executive Officer)	
Mr. Ashish Gupta (Chief Financial Officer)^ ^ ^	
Mr. Rahul Ahuja (Chief Financial Officer)^ ^ ^	
Mr. Abhishek Kanoi (Head of Legal & Company Secretary)	
PDS Multinational Fashions ESOP Trust****	Controlled trust

Refer Note 2 for details of subsidiaries and step down subsidiaries.

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	For the year ended March 31, 2023	For the year ended March 31, 2022
Pearl Global Industries Limited	Enterprises owned or significantly influenced by KMP or their relatives	Interest expenses	-	22.98
Digital Ecom Techno Private Limited	Joint Venture	Rental income	0.12	0.12
GWD Enterprises Limited	Associate	Sale of goods	97.38	-
Sourcing Solution Europe BVBA	Associate	Sale of goods	1,197.65	995.78
		Marketing fees expense	-	20.99
Mr. Ashok Kumar Sanghi	Key managerial personnel	Director sitting fees	-	3.00
Mr. Ashutosh Prabhudas Bhupatkar		Director sitting fees	1.04	4.00
Mr. Ashok Kumar Chhabra		Director sitting fees	-	3.00
Mr. Nishant Parikh		Director sitting fees	40.20	-
Mr. Robert Sinclair		Director sitting fees	40.17	-
Mr. Mungo Park		Director sitting fees	40.17	-
Ms. Yael Gairola		Director sitting fees	39.35	-
Ms. Saraswathy Venkateshwaran#		Director sitting fees	-	6.00
Mr. Pallak Seth		Remuneration	998.54	201.97
Mrs. Payal Seth			66.61	34.81
Mr. Ajai Singh			-	19.02
Mr. Ashish Gupta			166.74	105.85
Mr. Sanjay Jain			699.78	324.78
Mr. Abhishek Kanoi			98.28	61.45
Mr. Rahul Ahuja			81.65	-
Mr. Ashok Kumar Sanghi			13.30	-
Mr. Sanjay Jain			460.00	-
Mr. Ashish Gupta			40.52	-
Mr. Abhishek Kanoi			27.38	-
Mr. Parth Gandhi		Employee share compensation expense	90.27	52.48
Mr. Sanjay Jain			6.21	748.93
Mr. Ashish Gupta			-	24.67
Mr. Abhishek Kanoi			41.07	12.33
Mr. Rahul Ahuja			28.16	-
Mr. Ashok Kumar Sanghi			13.08	3.74
Mr. Ashok Kumar Chhabra			13.08	3.74

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Related parties disclosure (Contd..)

c) Year end receivable balances

Name of related party	Relationship	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Digital Internet Technologies Limited	Joint venture	Dues from related party	288.73	261.20
Sourcing Solution Europe BVBA	Associate		1,115.08	750.27
Yellow Octopus EU sp.zo.o.	Joint venture		865.08	951.25
Yellow Octopus Ventures FZCO	Joint venture		606.38	-
GWD Enterprises Limited	Associate		39.51	-
Mr. Rahul Ahuja	Key managerial personnel	Advance to employees	0.22	-
Mr. Ashish Gupta	Key managerial personnel	Advance to employees	37.50	-
Mr. Abhishekh Kanoi	Key managerial personnel	Advance to employees	17.50	29.50

d) Year end payable balances

Name of related party	Relationship	Nature of transaction	As at March 31, 2023	As at March 31, 2022
Mr. Ashish Gupta	Key managerial personnel	Due to Employees	6.73	5.39
Mr. Abhishekh Kanoi			4.70	3.91
Mr. Rahul Ahuja			6.28	-
Mr. Sanjay Jain			19.48	20.02
Mr. Pallak Seth			76.36	12.59
Mr. Deepak Seth**			104.32	833.61
Yellow Octopus Ventures-FZC	Joint venture	Dues to related party	-	10.32
Yellow Octopus Fashion Limited	Joint venture	Dues to related party	46.77	-
One Stop Solutions sp.zo.o	Joint venture	Dues to related party	-	0.48
One Stop Shop Solutions sp.zo.o.sp.k	Joint venture	Dues to related party	-	0.96
Yellow Octopus EU sp.zo.o.	Joint venture	Dues to related party	-	0.48
Yellow Octopus EU sp.zo.o.sp.k	Joint venture	Dues to related party	-	0.96

e) Key management personnel compensation*

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	2,111.61	747.89
Stock option/Phantom option expenses	733.07	845.89
Director sitting fees	160.93	16.00

^ Mrs. Payal Seth is the largest shareholder.

**Balance has been paid in the month of April 2023.

^The Board of Directors of the Company has appointed Mr. Pallak Seth as Executive Vice Chairman & Director (Executive Director) is for a period of 5 years with effect from November 02, 2022 to November 01, 2027.

^^ The Board of Directors of the Company has appointed Mr. Parth Gandhi effective from May 27, 2021, Mr Mungo Park, Mr Robert Sinclair effective from November 09, 2021 and Mr. Nishant Parikh and Ms. Yael Gairola effective from December 08, 2021 as Independent Directors and KMP of the Company. Mr. Ashok Kumar Chhabra, Mr. Ashok Kumar Sanghi resigned as Independent Directors & KMP of the Company on November 09, 2021, Mr. Ashutosh Bhupatkar resigned as an Independent Director & KMP of the Company on December 08, 2021 and Mr. Saraswathy Venkateswaran resigned as an Independent Director & KMP of the Company on March 14, 2022.

^^^ Mr. Rahul Ahuja was appointed as Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. January 25, 2023 at the Board meeting held on January 24, 2023. Mr. Ashish Gupta has resigned as a Chief Financial Officer of the Company w.e.f. close of business hours of January 24, 2023.

^&The Board of Directors of the Company has appointed Mr. BG Srinivas effective from March 28, 2023 as an additional Non-Executive and Independent Director.

****The Group has created an Employee Benefit Trust for providing share-based payment to its employees. The Group uses the Trust to distribute shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

*For post-employment defined benefits, the same is done by actuary considering all employees of the Company and hence split is not available.

f) Terms and conditions of transactions with related parties

All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and carried interest rate, wherever applicable.

g) In respect of figures disclosed above:

- The amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortisation.
- Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Group.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 37: Capital management

- (a) The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (refer note 18)	60,074.82	62,335.11
Less: Cash and cash equivalents (refer note 14)	51,124.87	46,000.20
Less: Other bank balance (refer note 15)	21,787.83	20,484.50
Adjusted Net debt (A)	(12,837.88)	(4,149.59)
Equity share capital (refer note 16)	2,615.91	2,604.25
Other equity (refer note 17)	1,02,751.92	84,635.94
Total Capital (B)	1,05,367.83	87,240.19
Capital and net debt (A + B)	92,529.95	83,090.60

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.

- (b) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 38: Currency derivative

Forward currency and option currency contracts are designated as hedging instruments in respect of forecast future sales and forecast purchases in foreign currencies to which the Group has firm commitments. The forward currency contract balances vary with the levels of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

	Assets	Liabilities	Assets	Liabilities
	2023	2023	2022	2022
	USD	USD	USD	USD
Forward currency contracts	67,703	83,972	3,65,792	1,10,535
	(Equivalent to ₹ 55.64)	(Equivalent to ₹ 69.01)	(Equivalent to ₹ 277.22)	(Equivalent to ₹ 83.77)

The carrying amount of foreign currency contracts are the same as their fair values.

At 31 March 2023, the Group held 48 forward currency contracts (March 31, 2022: 139) and no option currency contracts (March 31, 2022: Nil) and they are designated as hedges in respect of expected future sales to customers in the United Kingdom for which the said Group has firm commitments.

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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 38: Currency derivative (Contd..)

The terms of the forward currency contracts have been negotiated to match the terms of the commitments. The cash flow hedges of the expected future sales between April 2023 and March 2024 were assessed to be highly effective and a net loss of ₹305.14 (March 31, 2022: net gain of ₹ 99.89), was included in the hedging reserve for the year.

Note 39 : Fair values disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments. Carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value.

a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets measured at FVTPL				
Equity investments (refer note 9A)	2,124.03	3,744.22	2,124.03	3,744.22
Debt investments (refer note 9A)	3,237.80	153.23	3,237.80	153.23
Other investments (refer note 9A)	2,990.27	2,818.12	2,990.27	2,818.12
Investment in convertible notes (refer note 9A)	1,887.38	1,961.46	1,887.38	1,961.46
Investment in funds (refer note 9A)	4,024.61	2,162.75	4,024.61	2,162.75
	14,264.09	10,839.78	14,264.09	10,839.78
Financial assets measured at FVOCI				
Equity and debt investments (refer note 9A)	17,791.07	11,436.20	17,791.07	11,436.20
Derivative financial instruments (refer note 10)	55.64	277.22	55.64	277.22
	17,846.71	11,713.42	17,846.71	11,713.42
Financial assets measured at amortised cost				
Security deposits (refer note 10)	1,959.69	1,765.39	1,959.69	1,765.39
Loan to others (refer note 10)	165.25	1,134.53	165.25	1,134.53
Dues from related party (refer note 10)	2,914.78	2,591.52	2,914.78	2,591.52
Deposits with original maturity of more than 12 months (refer note 10)	1.00	1.00	1.00	1.00
Interest accrued but not due (refer note 10)	290.23	50.33	290.23	50.33
Loans receivable from others (refer note 10)	2,442.25	2,065.72	2,442.25	2,065.72
Unbilled revenue (refer note 10)	971.85	308.16	971.85	308.16
Trade receivable (refer note 13)	97,843.44	1,42,130.97	97,843.44	1,42,130.97
Cash and cash equivalents (refer note 14)	51,124.87	46,000.20	51,124.87	46,000.20
Other bank balances (refer note 15)	21,787.83	20,484.50	21,787.83	20,484.50
	1,79,501.19	2,16,532.32	1,79,501.19	2,16,532.32

b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial liabilities measured at fair value through other comprehensive income				
Derivative financial instruments (refer note 19)	69.01	83.77	69.01	83.77
	69.01	83.77	69.01	83.77
Financial liabilities measured at amortised cost				
Borrowings (refer note 18)	60,074.82	62,335.11	60,074.82	62,335.11
Trade payables (refer note 21)	1,12,485.04	1,56,631.93	1,12,485.04	1,56,631.93
Interest accrued but not due on borrowings (refer note 19)	0.25	0.25	0.25	0.25
Lease liabilities (refer note 45)	11,825.83	11,713.02	11,825.83	11,713.02



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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 39 : Fair values disclosure (Contd..)

	Carrying values		Fair values	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Dues to employees (refer note 19)	3,659.85	4,729.04	3,659.85	4,729.04
Due to related party (refer note 19)	151.09	1,473.54	151.09	1,473.54
Due to others (refer note 19)	-	166.36	-	166.36
Security deposit received (refer note 19)	84.76	71.63	84.76	71.63
	1,88,281.64	2,37,120.88	1,88,281.64	2,37,120.88
Financial liabilities measured at FVTPL				
Share based payment (refer note 19)	386.71	166.38	386.71	166.38
	386.71	166.38	386.71	166.38

c) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings and in case of financial asset is the average market rate of similar credit rated instrument. The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Fair value for all other non-current financial assets and liabilities is equivalent to the amortised cost, interest rate on them is equivalent to the market rate of interest.
- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 40 : Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed 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) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

a) Fair value measurement hierarchy of financial assets as at March 31, 2023:

	Total	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Listed and unlisted equity investments, at fair value	2,124.03	2,067.03	-	57.00
Listed debt investments, at fair value	3,237.80	3,237.80	-	-
Investment in convertible notes	1,887.38	-	-	1,887.38
Investment in funds	4,024.61	166.54	3,858.07	-
Investments in life insurance policies, at fair value	2,990.27	-	2,990.27	-
Total (A)	14,264.09	5,471.37	6,848.34	1,944.38
Financial assets measured at FVOCI				
Equity investments, at fair value	17,791.07	-	642.28	17,148.79
Derivative financial instruments	55.64	-	55.64	-
Total (B)	17,846.71	-	697.92	17,148.79
Total (A+B)	32,110.80	5,471.37	7,546.26	19,093.17

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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 40 : Fair value hierarchy (Contd..)

b) Fair value measurement hierarchy for financial liabilities as at March 31, 2023:

	Total	Level 1	Level 2	Level 3
Financial liabilities measured at FVOCI				
Derivative financial instruments	69.01	-	69.01	-
Total (A)	69.01	-	69.01	-

c) Fair value measurement hierarchy of financial assets as at March 31, 2022:

	Total	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Listed and unlisted equity investments, at fair value	3,744.22	3,687.22	-	57.00
Listed debt investments, at fair value	153.23	153.23	-	-
Investment in convertible notes	1,961.46	-	-	1,961.46
Investment in funds	2,162.75	163.46	1,999.29	-
Investments in life insurance policies, at fair value	2,818.12	-	2,818.12	-
Total A	10,839.78	4,003.91	4,817.41	2,018.46
Financial assets measured at FVOCI				
Equity investments, at fair value	11,436.19	-	345.15	11,091.04
Derivative financial instruments	277.22	-	277.22	-
Total B	11,713.41	-	622.37	11,091.04
Total (A+B)	22,553.19	4,003.91	5,439.78	13,109.50

d) Fair value measurement hierarchy for financial liabilities as at March 31, 2022:

	Total	Level 1	Level 2	Level 3
Financial liabilities measured at FVOCI				
Derivative financial instruments	83.77	-	83.77	-
	83.77	-	83.77	-

The movements in fair value measurements within Level 3 during the year are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
At beginning of the year	13,109.51	5,703.59
Addition	3,856.53	5,551.84
Total gains recognised in statement of profit and loss	275.01	120.83
Total gains recognised in other comprehensive income	999.45	1,663.97
Reclass*	56.47	-
Disposals	(367.66)	-
Foreign exchange gain	1,163.86	69.28
At end of the year	19,093.17	13,109.51

- i) There have been no transfers between level 1, level 2 and level 3 category during the years ended on March 31, 2023 and March 31, 2022.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) **Investment in listed equity and debt instruments and bonds:** The fair value of listed investment in equity and debt instruments and bonds are determined using its quoted market price.
- (b) **Investment in unlisted equity and debt instruments:** The fair value of unlisted investments at fair value through other comprehensive income and fair value through profit or loss are based on either using a valuation technique which incorporates various market observable inputs including quoted prices or most recent transaction prices. The management believe that the estimated fair value resulting therefrom, which is recorded in the Consolidated Balance Sheet and the related change in



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 40 : Fair value hierarchy (Contd..)

fair value, which is recorded in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), are reasonable, and that it was the most appropriate value at the end of the reporting period.

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at March 31, 2023 and March 31, 2022:

	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at fair value through other comprehensive income and statement of profit and loss	Market approach	Enterprise-value- to-revenue multiple ("EV/Revenue")	Increase/decrease in EV/ Revenue would result in increase/ decrease in fair value
	Income approach	Discount rate	Increase/decrease in discount rate would result in decrease/ increase in fair value
	Recent transaction approach	Value of recent transaction with unrelated party	Valuation is dependant on the most recent transaction/ round of investment that was carried out with an unrelated party.

(c) Derivative financial instruments: The Group enters into derivative financial instruments with financial institutions with high credit ratings. Derivative financial instruments, representing forward currency contracts and option currency contracts, are measured using valuation techniques similar to forward and option pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The carrying amounts of forward currency contracts are the same as their fair values. As at March 31, 2023 the mark-to-market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

(d) Investment in life insurance policies: The fair values of investments in life insurance policies have been estimated based on the surrender values, which are calculated and quoted by the issuer. The management believe that the estimated fair values resulting therefrom, which are recorded in the consolidated Balance Sheet, and the related changes in fair values, which are recorded in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), are reasonable, and that they were the most appropriate values at the end of the reporting period.

Note 41 Financial risk management objectives and policies

The Group's principal financial liabilities comprises of trade and other payables, borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets includes investments, trade receivables, cash and cash equivalents, other bank balances and other financial assets. The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior level management oversees the management of these risks and advises on the appropriate financial risk governance framework.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

i) 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 Group exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates. The Group has significant exposure to interest rate risk as shown below. The Group's interest rate risk mainly arises from borrowings with variable rates.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 41 Financial risk management objectives and policies (Contd..)

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	57,363.51	60,590.83
Fixed rate borrowing	2,711.31	1,744.28
	60,074.82	62,335.11

	Year ended March 31, 2023	Year ended March 31, 2022
50 bps increase would decrease the profit before tax by	(294.89)	(270.19)
50 bps decrease would increase the profit before tax by	294.89	270.19

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

ii) Foreign currency risk

The Group's exposure to foreign currency risk as at 31 March 2023 are as follows:

Currency	Trade receivables	Unbilled revenue	Other receivable	Cash and cash equivalent	Lease liability	Trade payable	Bank borrowings	As at March 31, 2023
USD	8,097.82	231.39	-	4,647.94	-	(8,205.89)	-	4,771.26
EUR	-	-	-	122.44	-	(65.45)	-	56.99
GBP	1,371.17	-	357.77	2,355.24	-	(1,198.32)	-	2,885.86
CNY	27.38	-	-	1,042.64	(226.63)	(66.61)	-	776.78
BDT	-	-	46.58	876.54	(1,491.85)	(462.26)	-	(1,030.99)
CAD	1.91	-	-	49.49	-	(26.55)	-	24.85
CHF	-	-	-	0.10	-	-	-	0.10
LKR	-	-	-	3.93	-	(8.61)	-	(4.68)
Net Exposure	9,498.28	231.39	404.35	9,098.32	(1,718.48)	(10,033.69)	-	7,480.17

The Group's exposure to foreign currency risk as at 31 March 2022 are as follows:

Currency	Trade receivables	Unbilled revenue	Other receivable	Cash and cash equivalent	Lease liability	Trade payable	Bank borrowings	As at March 31, 2022
USD	1,746.78	33.86	-	-	-	(1,225.25)	-	555.39
EUR	990.68	-	-	833.74	-	(1,130.51)	-	693.92
GBP	6,034.71	-	374.22	2,945.28	-	(2,149.91)	(2,282.68)	4,921.61
CNY	90.94	-	-	539.97	(225.07)	-	-	405.85
BDT	7.42	-	-	706.42	(9.78)	(420.76)	-	283.31
CAD	-	-	-	112.28	-	(21.07)	-	91.21
CHF	-	-	-	0.09	-	-	-	0.09
LKR	3.88	-	-	5.88	-	(6.41)	-	3.35
Net Exposure	8,874.41	33.86	374.22	5,143.67	(234.85)	(4,953.91)	(2,282.68)	6,954.70



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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 41 Financial risk management objectives and policies (Contd..)

Sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The following tables demonstrate the sensitivity to a reasonably possible change in USD, GBP, EURO, HKD, AED and BDT exchange rates, with all other variables held constant.

Particulars	Change in FC exchange rate by	Impact on profit or loss and equity (in lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD	5%	238.56	27.77	(238.56)	(27.77)
EUR	5%	2.85	34.70	(2.85)	(34.70)
GBP	5%	144.29	246.08	(144.29)	(246.08)
CNY	5%	38.84	20.29	(38.84)	(20.29)
BDT	5%	(51.55)	14.17	51.55	(14.17)
CAD	5%	1.24	4.56	(1.24)	(4.56)
CHF	5%	0.00	0.00	(0.00)	(0.00)
LKR	5%	(0.23)	0.17	0.23	(0.17)

The Group has transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the Group's functional currency. The Group uses forward currency contracts to eliminate the foreign currency exposures on its sales transactions, for which the corresponding settlements are anticipated to take place more than one month after the Group has entered into firm commitments for the sales. The forward currency contracts must be in the same currency as that of the hedged items. Group negotiates the terms of the hedge derivatives to match the terms of the hedged items to maximise hedge effectiveness. It is the Group's policy that a forward contract is not entered into until a firm commitment is in place.

B. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Group. The Group continuously monitors defaults of customers and other counterparties and incorporate this information into its credit risk control. The Group also uses expected credit loss model to assess the impairment loss in trade receivables and makes an allowance of doubtful trade receivables using this model. The credit risk also arises from cash and cash equivalents, deposits from banks and other financial assets measured at amortised cost.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored. The Company limits its exposure to credit risk from trade receivables by establishing a appropriate credit period for customer. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision created.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Less than 30 days	30 to 90 days	More than 90 days	Total
Trade receivables as of March 31, 2023	80,082.24	13,439.39	4,321.81	97,843.44
Trade receivables as of March 31, 2022	1,31,818.02	6,924.07	3,388.88	1,42,130.97

Receivables that were neither past due nor impaired relate to a number of customers for whom there was no recent history of default. This applies to most of the subsidiaries.

The total impairment loss amounting to ₹ 625.18 as at March 31, 2023 (March 31, 2022: ₹ 828.62) on trade receivables.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 41 Financial risk management objectives and policies (Contd..)

C. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at March 31, 2023	< 1 year	1 to 5 years	> 5 years	Total
Borrowings	59,881.61	193.21	-	60,074.82
Trade payables	1,12,485.04	-	-	1,12,485.04
Lease liabilities	3,401.68	10,322.05	125.41	13,849.13
Other financial liabilities	4,285.63	109.84	-	4,395.47
Total	1,80,053.96	10,625.10	125.41	1,90,804.46

As at March 31, 2022	< 1 year	1 to 5 years	> 5 years	Total
Borrowings	62,324.34	10.77	-	62,335.11
Trade payables	1,56,631.93	-	-	1,56,631.93
Lease liabilities	3,148.16	8,162.40	1,543.76	12,854.32
Other financial liabilities	6,760.30	-	-	6,760.30
Total	2,28,864.73	8,173.17	1,543.76	2,38,581.66

Note 42 : Commitments and contingencies

a) Commitments

(i) Capital commitment:

Estimated amount of contracts remaining to be executed on capital account (net of advances) as on March 31, 2023 is Nil (March 31, 2022: Nil)

(ii) Other commitment:

- The Company has entered into a Capital commitment agreement where contribution has to be made to WaterBridge Ventures II Trust (the "Fund") and the contribution agreement has been executed between Vistra ITCL (India) Limited (the "Trustee Company"), WaterBridge Capital Management LLP (the "Investment Manager") and PDS Limited (The "contributor") in which the contributor has committed ₹ 1000.00 which will be paid as per the terms of agreement. Till March 31, 2023: ₹ 600.00 (March 31, 2022: ₹ 500.00) which is 60% of the amount has been contributed based on the drawdown notice received from the fund.
- The Company has entered into a Capital commitment agreement where contribution has to be made to Fireside Ventures Investment Fund III ("Fund") and the contribution agreement has been executed between Orbis Trusteeship Services Private Limited (the "Trustee Company"), Fireside Ventures Advisory LLP (the "Investment Manager") and The Company (The "contributor") in which the contributor has committed ₹ 700.00 which will be paid as per the terms of agreement. During the year, 10% of the amount i.e. ₹ 70.00 (March 31, 2022: Nil) has been contributed based on the drawdown notice received from the fund. Total contribution till March 31, 2023 is ₹ 70.00.

b) Contingent liabilities

- In case of the Company, claims against Company not acknowledged as debt

	As at March 31, 2023	As at March 31, 2022
- On account of stamp duty on demerger	148.20	148.20
- Tenancy case*	-	15.00
	148.20	163.20



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 42 : Commitments and contingencies (Contd..)

- the Company has been a filed writ petition before the Hon'ble High Court of Delhi (PDS Multinational Fashions Limited Vs. Collector of Stamp, Civil Writ Petition being W. P. (C) No. 7509 of 2015) for quashing the orders dated June 19, 2015 and July 9, 2015 passed by the Collector of Stamps and was saddled with a liability of ₹ 148.20 based on the misrepresentation and misreading of the judgement passed by the Hon'ble High Court of Delhi in Delhi Towers vs. GNCT of Delhi 1(2010) 159 comp. cases 129 (Delhi).
- Pending resolution of the respective proceedings, it is difficult to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

*The Company has filed a Petition in the High Court of Delhi under section 9 of Arbitration and Conciliation Act for securing the our interest/rightful entitlement of due rent and CAM Charges payable by the tenant. The case is under settlement process and hence the security deposit received from the tenant is considered as contingent liability. The contempt petition is disposed off on May 9, 2023 and order passed on May 9, 2023.

- ii) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Group has made provision for provident fund contribution from the date of order. The Group will evaluate its position and update provision, if required, after receiving further clarity in this regard.
- iii) In case of Norwest Industries Limited, Guarantee given to banks in connection with facilities granted to subsidiaries and fellow subsidiaries ₹ 70,578.96 (March 31, 2022: ₹53,390.58). At March 31, 2023, the banking facilities guaranteed by Norwest Industries Limited to its fellow subsidiaries were utilised to the extent of approximately ₹54,756.73 (March 31, 2022: ₹51,807.01). In determining whether financial liabilities should be recognised in respect of Norwest Industries Limited's financial guarantee contracts, the directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation. In the opinion of the directors of Norwest Industries Limited, the fair values of the financial guarantee contracts are insignificant at initial recognition and the directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value was recognised in its consolidated financial statements.
- (iv) In case of Poeticgem Limited, HSBC Bank PLC, has provided a guarantee to H M Revenue and Customs amounting to ₹ 544.39 (March 31, 2022 : ₹ 534.61).
- (v) Poeticgem Limited had available ₹ 2,534.72 (March 31, 2022: ₹ 2,489.19) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.
- (vi) In case of Progress Apparel Bangladesh Limited, unconditional bank guarantee issued of ₹ 6.20 (March 31, 2022 : 2.62) to Green Delta Insurance Company Limited towards guarantee of 30 days credit period.
- (vii) FX Import Company Limited has extended an unlimited multilateral guarantee to its Parent Company and fellow subsidiaries, Poeticgem Limited and Pacific Logistics Limited. The bank has a fixed charge over the assets of FX Import Company Limited which is supported by a debenture.

Note 43 : Segment reporting

(a) Primary segment information:

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment e.g. sourcing, manufacturing and others), or in providing products or services within a particular economic environment, which is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the Group's business segments. The Group's primary format for segment reporting is based on business segments.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Other items comprise mainly investments and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Group's headquarters) and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the reporting period to acquire property, plant and equipment, investment property and intangible assets other than goodwill.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 43 : Segment reporting (Contd...)

(b) Segment details are as below:

Particulars	Sourcing		Manufacturing		Others		Adjustment / elimination		Total	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Segment revenue	10,10,463.88	8,50,650.55	70,300.09	54,710.45	428.45	221.42	(23,492.00)	(22,763.05)	10,57,700.42	8,82,819.38
Other income	1,779.69	3,786.19	255.70	193.58	3,120.95	4,821.07	(3.28)	(198.10)	5,153.05	8,602.74
Segment results before tax	29,830.00	28,753.14	2,359.07	(1,894.85)	3,093.56	4,216.15	360.80	(28.78)	35,643.43	31,045.66
Tax expense									(2,998.52)	(1,725.71)
Share of loss of associates and joint ventures									31.93	(57.86)
Profit for the year									32,676.84	29,262.09
Segment assets	2,21,870.62	2,62,032.47	46,006.83	47,769.80	43,026.29	30,005.97	-	-	3,10,903.74	3,39,808.24
Segment assets as a % of total assets	71.36	77.11	14.80	14.06	13.84	8.83	-	-	100.00	100.00
Segment liabilities	1,80,962.84	2,25,549.32	15,330.10	18,099.32	3,349.85	2,559.17	-	-	1,99,642.78	2,46,207.81
Segment liabilities as a % of total liabilities	90.64	91.61	7.68	7.35	1.68	1.04	-	-	100.00	100.00
Other material non-cash items included under Statement of Profit and loss before tax										
Depreciation and amortisation	5,551.33	4,384.80	2,298.48	2,325.78	168.39	280.23	-	-	8,018.20	6,990.81

Entity wide disclosures:

(c) Information about products and services:

(i) Revenue from external customers by nature of product:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of goods	10,34,549.05	8,68,029.01
Others	23,151.37	14,792.37
	10,57,700.42	8,82,821.38

(d) Information about Geographical areas

(i) Revenue from external customers by Geography are as follows:

Geography	Year ended March 31, 2023	Year ended March 31, 2022
India	7,022.36	2,341.42
Europe	7,50,967.30	6,79,772.46
North America	1,58,655.06	1,41,251.42
Asia & Middle East	1,16,347.05	35,312.86
Others	24,708.65	24,143.22
	10,57,700.42	8,82,821.38

(ii) The Group's non-current assets are majorly located as follows:

Geography	As at March 31, 2023	As at March 31, 2022
India	4,757.57	4,456.31
Hong Kong	18,915.37	16,670.74
Bangladesh	18,084.99	16,968.34
Others	19,080.15	19,860.09
	60,838.08	57,955.48



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Note 43 : Segment reporting (Contd...)

(iii) The Group's investments accounted as per equity method are majorly located as follows:

Geography	As at March 31, 2023	As at March 31, 2022
Hong Kong	47.21	270.79
Poland	9,573.50	8,608.79
Others	159.87	783.68
	9,780.58	9,663.26

(e) Revenue from major customers: There were 2 customers who had contributed 10% or more to the Group's revenue for the year ended March 31, 2023 and 2 customers for the year ended March 31, 2022.

Note 44: Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to Statement of Profit and Loss:

	Year ended March 31, 2023	Year ended March 31, 2022
Revenues by category and nature		
Sale of goods	10,34,549.05	8,68,029.01
Others	23,151.37	14,792.37
	10,57,700.42	8,82,821.38
Revenues from geographic areas based on the location of the customers are as follows:		
India	7,022.36	2,341.42
Europe	7,50,967.30	6,79,772.46
North America	1,58,655.06	1,41,251.42
Asia & Middle East	1,16,347.05	35,312.86
Others	24,708.65	24,143.22
	10,57,700.42	8,82,821.38
Revenues based on timing of recognition		
Sale of goods transferred at a point in time	10,34,549.05	8,68,029.01
Services transferred over the period of time	23,151.37	14,792.37
	10,57,700.42	8,82,821.38

Significant changes in contract assets and contract liabilities during the period are as follows:

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

Assets and liabilities related to contracts with customers

	As at March 31, 2023	As at March 31, 2022
Trade receivables	97,843.44	1,42,130.97
Contract assets	971.85	308.16
Contract liabilities	2,746.49	704.18

Trade receivables are non-interest bearing and are generally on terms of 60-120 days. The Group has recognised -203.44 provision for expected credit loss on trade receivables during the year ended March 31, 2023 (March 31, 2022: 310.48).

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for services rendered to customers. Contract assets are transferred to receivables when the rights become unconditional.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 44: Revenue from contracts with customers (Contd..)

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customer for which the Group has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognised as revenue as the Group performs under the contract.

	As at March 31, 2023	As at March 31, 2022
Contract assets at the beginning of the year	308.16	149.57
Revenue to be billed/ accrued during the year	663.69	158.59
Contract assets at the end of the year	971.85	308.16
Contract liabilities at the beginning of the year	704.18	1,987.42
Advance received (adjusted) from customers during the year	2,042.31	(1,283.24)
Contract liabilities at the end of the year	2,746.49	704.18
Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contract	10,60,575.88	8,84,831.77
Adjustments	(2,875.46)	(2,010.39)
Revenue from contract with customers	10,57,700.42	8,82,821.38

Performance obligations

Revenue is recognised when a customer obtains control of the goods which is ordinarily upon shipment or on delivery at the customer premises and on completion of performance obligation. Revenue is recognised at a transaction price allocated to the extent of performance obligation satisfied after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For the accounting policy for revenue recognition refer Note 3 (h).

Sale of goods

The performance obligation is satisfied upon shipment or delivery of goods except for new customers, where payment in advance is normally required.

Note 45: Lease disclosure

Where the Group is the lessee:

As lessee

On March 30, 2019 Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). The Group has adopted this standard using the modified retrospective approach and accordingly, the comparative figures for the year ended March 31, 2019 has not been restated. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at April 1, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.



Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 45: Lease disclosure (Contd..)

As a lessee

- i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	11,579.82	7,124.23
Additions during the year	3,617.92	7,346.22
Disposals/adjustment during the year	(132.48)	(482.77)
Depreciation expenses	(3,304.65)	(2,619.04)
Forex translation, net	(325.70)	211.18
At the end of the year	11,434.91	11,579.82

- ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	11,713.02	7,173.89
Addition	4,292.20	7,074.64
Accretion of interest	636.33	316.25
Covid concession	69.66	(2.33)
Payment	(3,739.18)	(2,535.50)
Derecognition upon exercise of termination options	(352.67)	(554.71)
Forex translation	(793.54)	240.79
At the end of the year	11,825.83	11,713.02
Current	3,901.28	2,567.71
Non-current	7,924.55	9,145.31
	11,825.83	11,713.02

- iii) Maturity analysis of lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Lease payments		
Not later than one year	3,401.68	3,148.16
Later than one year	10,322.05	8,162.40
Later than five years	125.41	1,543.76
Total	13,849.14	12,854.32

- iv) Amount recognised in Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on right of use assets	3,304.65	2,619.04
Interest on lease liabilities	636.33	316.25
Expenses relating to short term leases	724.87	1,041.21

As a lessor

The Group has entered into operating leases on its investment property. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Refer note 5 for rental income and future minimum rentals receivable under non-cancellable operating leases as at March 31, 2023 and March 31, 2022.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 46: Business Combinations

i) Acquisition of Sunny Up Ltd:

On May 9, 2022, the Group acquired 100% of the equity interest in M/s Sunny Up Limited, a company incorporated and registered in England and Wales for a consideration of GBP 10,12,500 (equivalents to approximately ₹ 982.71). Consideration is to be discharged in GBP 6,07,500 (equivalents to approximately ₹ 589.63) on acquisition and balance GBP 4,05,000 (equivalents to approximately ₹ 393.08) on over 2 years subject to fulfilling certain conditions.

Sunny Up is a contemporary fashion design and distribution company specialising in brand development and marketing. Sunny Up has license of a well-known brand Stan Ray and other distribution rights which will enhance the Group's portfolio and improve their offering to the customers.

The fair values of the identifiable assets and liabilities of Sunny Up Ltd as at the respective date of acquisition were as follows:

Particulars	Amount
Tangible Assets	17.16
Current assets :	
Inventories	481.11
Trade and other receivables	65.50
Cash and cash equivalents	72.08
Borrowings	(97.06)
Trade and other payables	(115.22)
Sub Total (A)	423.57
Goodwill on acquisition	166.07
Satisfied by cash	589.64
An analysis of the cash flows in respect of the acquisition of Sunnyup Limited is as follows:	
Cash consideration	589.64
Cash and bank balances acquired	(72.08)
Net outflow of cash and cash equivalents included in cash flows from investing activities	517.56

The Group incurred transaction costs of ₹ 24.99 for the acquisition of Sunny up Limited. These transaction costs have been expensed and are included in miscellaneous expenses in the consolidated statement of profit or loss.

Since the acquisition, Sunny up Ltd has contributed ₹ 3,117.60 to the Group's revenue and profit of ₹ 85.13 to the consolidated statement of profit and loss for the year ended March 31, 2023

ii) Acquisition of DBS Lifestyle Private Limited:

On October 26, 2022, the Group had infused ₹ 2,100 in M/s DBS Lifestyle Private Limited (DBS) in exchange of 51% equity interest in DBS.

DBS, founded by Divya Suri and Bhawnish Suri, is a design-led company catering to fashion and home categories. It owns over 20,000 original textile designs and patterns and adds nearly 2500 artworks and samples to its library every month. Its Trend & Design Studio plus Sourcing business verticals collectively offer end-to-end solutions from design, product development, and manufacturing to warehouse delivery. It also creates private brands for leading online and offline retailers, including RIVER – a multidesigner brand for Amazon Fashion. DBS serves over 200 fashion and 150+ home clients globally along with leading brands, retailers, and key e-commerce players in India. The Group aims to strengthen its design capabilities for global clients and gains access to leading retailers and brands, enabling it to further penetrate the fashion and home categories in the Indian market.

The Group has elected to measure the non-controlling interest in DBS at the non-controlling interest's proportionate share of DBS identifiable net assets.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 46: Business Combinations (Contd..)

The identifiable assets acquired and liabilities assumed of the DBS as at the date of acquisition were as follows:

Particulars	Amount
Property, plant and equipment	41.73
Intangible (Customer relationship)	101.00
Current assets :	
Inventories	3.94
Trade and other receivables	276.97
Other Assets	341.57
Cash and cash equivalents	2,184.14
Borrowings	(592.76)
Trade and other payables	(1,382.64)
Total identifiable net assets at fair value	973.95
Non-controlling interest	477.21
Goodwill on acquisition	1,603.26
Satisfied by cash	2,100.00
An analysis of the cash flows in respect of the acquisition of DBS is as follows:	
Cash consideration	2,100.00
Cash and bank balances acquired	(2,184.14)
Net outflow of cash and cash equivalents included in cash flows from investing activities	(84.14)

The Group incurred transaction costs of ₹ 18 for the acquisition of DBS. These transaction costs have been expensed and are included in miscellaneous expenses in the consolidated statement of profit or loss.

Since the acquisition, DBS has contributed ₹ 799.91 to the Group's revenue and loss of ₹ 88.56 to the consolidated statement of profit and loss for the year ended March 31, 2023.

iii) Acquisition of Upcycle Labs Limited

On March 27, 2023, the Group had acquired additional interest of 11% in Upcycle Labs Limited (Upcycle) and obtained controlling interest of 61%. until the date of acquisition of additional interest, Upcycle was a Joint venture and had been accounted under equity method.

The Group has elected to measure the non-controlling interest in Upcycle at the non-controlling interest's proportionate share of Upcycle identifiable net assets.

The identifiable assets acquired and liabilities assumed of the Upcycle as at the date of acquisition were as follows:

Particulars	Amount
Property, plant and equipment	293.57
Intangibles under development	255.96
Inventories	10.23
Other receivables	35.45
Prepayments	37.70
Deposits	94.42
Cash and cash equivalents	424.04
Other payables	(46.56)
Accruals	(2.29)
Translation reserve	1.23
Due to fellow subsidiary	(613.79)
Due to related party	(46.77)
Total identifiable net assets at fair value	443.19
Fair value of existing equity interest (50%)	681.99
Non-controlling interest (39%)	172.36
Goodwill on acquisition	549.78
Satisfied by cash (11%)	138.61

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 46: Business Combinations (Contd..)

Particulars	Amount
An analysis of the cash flows in respect of the acquisition of Upcycle is as follows:	
Cash consideration	138.61
Cash and bank balances acquired	(424.04)
Net outflow of cash and cash equivalents included in cash flows from investing activities	(285.43)

iv) Acquisition of s.Oliver Fashion India Private Limited:

On May 27, 2022 the Group acquired 99.99% of the equity interest in s.Oliver Fashion India Private Limited (s.Oliver Fashion) for a consideration of ₹ 196.35. s.Oliver Fashion is engaged in providing sourcing of Garments. The acquisition was made to acquire the existing set-up of workforce and supply chain. The purchase consideration for the acquisition was partly in form of cash (Paid ₹ 150.16 as at March 31, 2023) and partly in form of a contingent consideration being ₹ 46.18 which remained unpaid as at 31 March 2023, and is expected to be settled within one year. Such acquisition including the purchase price allocation is not material to the group.

Note 47: Change in proportion held by Non-controlling interest

i) Acquisition of Non-controlling interest in Simple Approach Limited

During the year on June 1, 2022 and March 20, 2023, the Group has acquired additional equity interest of 10% in its subsidiary Simple Approach Limited, at a consideration of USD 4.404 million (₹ 3,493.70). The net loss arising on the transaction has been adjusted directly in equity in accordance with IndAS 110, consolidated financial statements, as a change in ownership interest without change in control.

Particulars	Amount
Fair value of cash consideration (A)	3,493.70
Carrying value of Non controlling interest acquired (B)	100.50
Net loss adjusted directly in other equity (A-B)	3,393.20

ii) Acquisition of Non-controlling interest in Norlanka Brands Private Limited

On March 28, 2023, the Group has acquired additional equity interest of 25% in its subsidiary Norlanka Brands Private Limited, at a consideration of ₹ 42.23. The net loss arising on the transaction has been adjusted directly in equity in accordance with IndAS 110, consolidated financial statements.

Particulars	Amount
Fair value of cash consideration (A)	42.23
Carrying value of Non controlling interest acquired (B)	(24.49)
Net loss adjusted directly in other equity (A-B)	66.72

Note 48: Employee Share Based Payments

As at March 31, 2023 the Company has the following share-based payments arrangements :

A. Employee Stock Option Plan 2021 - Plan A and Plan B

i) Brief description of the share based payment arrangement

On April 3, 2021, the Company established the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A ('Plan A') which entitles key managerial personnel and senior employees to purchase shares of the Company. On July 27, 2021, the Company established the PDS Multinational Fashions Limited Employee stock option plan 2021 – Plan B ('Plan B') through Direct and through Trust route for other KMP and senior employees. The plans are designed to provide incentives to the employees of the Company to deliver long-term returns. The Plans are administered by the Nomination and Remuneration committee. During the year ended 31 March 2023, the Company has granted 4,70,000 (March 31, 2022 - 5,443,660) equity settled stock options (ESOPs) under these plans. Vesting of the options would be subject to continuous employment with the Company and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest.



Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 48: Employee Share Based Payments (Contd..)

Options granted under the plan didn't carry dividend or voting rights. On exercise, each option is convertible into one equity share. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Particulars	Number of instruments*	Exercise price*	Vesting period	Exercise period
FY 2022-23	4,70,000	₹ 240 - ₹ 268	1 - 4 years	3 - 4 years post vesting period
	4,70,000			
FY 2021-22	54,43,660	₹ 80 - ₹ 271	1 - 4 years	3 - 4 years post vesting period
	54,43,660			

ii) Summarized information about movement in Plan A and Plan B

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of options*	Weighted average exercise price per share (₹)	Number of options*	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	54,43,660	167.46	-	-
Granted during the year	4,70,000	255.00	10,88,732	837.28
Adjustment due to stock Split#	-	-	43,54,928	(669.82)
Exercised during the year	6,94,100	104.00	-	-
Forfeited during the year	2,59,375	224.00	-	-
Outstanding at the end of the year	49,60,185	181.67	54,43,660	167.46
Exercisable at the end of the year	17,00,685	139.82	-	-

*The number of instruments and the exercise prices are in absolute figures.

Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on July 29, 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share.

The Group has charged ₹ 1,926.62 (March 31, 2022: 2,064.21) to the consolidated statement of profit and loss in respect of options granted under Plan A and Plan B.

iii) Fair Value of the option granted during the year

The Fair value of ESOPs granted under Plan A and Plan B have been measured using the Black-Scholes option-pricing model using the following assumptions, sorted according to their grant dates:

Particulars	March 31, 2023	March 31, 2022
Weighted average Grant date fair value, per share (in ₹)	324.77	103.48
Weighted average Exercise price, per share (in ₹)	255.00	167.46
Assumptions used:		
Volatility	36% - 37%	31.5% - 36.3%
Expected lives (in years)	1.50 - 5.00	1.50 - 5.00
Risk-free interest rate	6.89% - 7.19%	4.67% - 6.16%
Expected dividend yield rate	1.40% - 1.51%	0.84% - 2.23%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Grant. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the ESOP.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 48: Employee Share Based Payments (Contd..)

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

B. Cash Settled Share based payment (Phantom Stock Units)

i) Brief description of the share based payment arrangement

On October 22, 2021 the Group established the PDS Multinational Fashions Limited – Phantom Stock Units Plan 2021 ('Phantom stock plan'), which entitles few senior employees of the Group to a cash payment on exercise. During the year ended March 31, 2023, the Group has not granted any stock Units (March 31, 2022- 4,17,500 Stock Units) ('Phantom Stock Units/ PSU'). These PSU's carry a vesting period of up to 4 years and an exercise period of 4 years from the date of vesting.

ii) Summarized information about movement in the Phantom stock plan

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of options*	Weighted average exercise price per share (₹)	Number of options*	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	4,17,500	219.00	-	-
Granted during the year	-	-	83,500	1,095.00
Adjustment due to stock Split#	-	-	3,34,000	(876.00)
Cancelled during the year	30,000	219.00	-	-
Outstanding at the end of the year	3,87,500	219.00	4,17,500	219.00
Exercisable at the end of the year	96,875	219.00	-	-

*The number of instruments and the exercise prices are in absolute figures.

#Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on 29 July 2022, each equity share of face value of ₹ 10/- per share has been subdivided into 5 (five) equity shares of face value of ₹ 2/- per share.

The Group has charged ₹ 220.33 (March 31, 2022: ₹ 166.38) to the consolidated statement of profit and loss in respect of PSUs granted under the Phantom Stock Plan.

iii) Cash Settled Share based payment (Phantom Stock Units)

The Fair value of PSUs have been measured using the Black-Scholes option-pricing model using the following assumptions -

Particulars	March 31, 2023	March 31, 2022
Weighted average Grant date fair value, per share (in ₹)	179.20	179.20
Weighted average Exercise price, per share (in ₹)	219.00	219.00
Assumptions used		
Volatility	36.3%	36.3%
Expected lives (in years)	4.60	4.60
Risk-free interest rate	6.14%	6.14%
Expected dividend yield rate	0.86%	0.86%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Measurement. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the PSU is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the PSU.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.



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for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 48: Employee Share Based Payments (Contd..)

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

C Share based payment expense recognised in the Statement of Profit and Loss in respect of the above plans is as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Share based payment expense	2,146.95	2,230.59

D Share based payment reserve and Share based payment liability recognised in the balance sheet in respect of the above plans is as follows:

	As at March 31, 2023	As at March 31, 2022
Share based payment liability	386.71	166.38
Share based payment reserve	3,565.19	2,064.21

Note 49: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ associates/ joint ventures.

Name of enterprises	Net assets i.e. total assets minus total liability		Share in profit/(loss) for the year		Share in other comprehensive income		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent Company								
PDS Limited (Formerly PDS Multinational Fashions Limited)	20.52%	21,617.78	32.61%	8,642.06	0.69%	16.57	29.95%	8,658.63
Indian subsidiaries								
Technocian Fashions Private Limited	0.15%	160.50	0.81%	215.77	-0.20%	(4.75)	0.73%	211.02
S.O.T Garments Pvt Limited	0.38%	404.53	0.11%	29.65	-0.95%	(23.02)	0.02%	6.63
s.Oliver Fashion Pvt Limited	0.21%	219.19	0.00%	0.41	0.00%	-	0.00%	0.41
DBS Lifestyle Private Limited	1.74%	1,837.68	-0.33%	(88.56)	0.00%	-	-0.31%	(88.56)
PDS Brands Private Limited	0.00%	(0.29)	0.00%	(0.96)	0.00%	-	0.00%	(0.96)
DIZBI Private Limited	0.00%	4.29	-0.22%	(58.15)	0.00%	-	-0.20%	(58.15)
Norlanka Brands Private Limited	-0.26%	(270.92)	-0.68%	(180.65)	0.00%	-	-0.62%	(180.65)
Foreign subsidiaries								
Multinational Textile Group Limited	41.58%	43,807.17	26.57%	7,040.91	0.00%	-	24.35%	7,040.91
PDS Ventures Limited (formerly known as Multitech Venture Limited), Mauritius	0.20%	205.97	1.75%	464.67	42.05%	1,016.07	5.12%	1,480.73
PDS Sourcing Limited (formerly known as Global Textiles Group Limited)	8.50%	8,957.91	19.88%	5,268.29	0.00%	-	18.22%	5,268.29
PDS Fashion HK Limited	-0.05%	(48.55)	-0.21%	(55.55)	0.00%	-	-0.19%	(55.55)
PDS Global Investments Limited	0.03%	35.76	0.00%	-	0.00%	-	0.00%	-

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 49: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ associates/ joint ventures. (Contd..)

Name of enterprises	Net assets i.e. total assets minus total liability		Share in profit/(loss) for the year		Share in other comprehensive income		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
PDS Manufacutring Limited	21.19%	22,326.32	-0.07%	(17.80)	0.00%	-	-0.06%	(17.80)
Spring Design Lonodon Limited	-0.41%	(436.26)	-0.04%	(9.96)	0.00%	-	-0.03%	(9.96)
Techno Design GmbH	0.15%	157.37	0.65%	171.22	0.41%	10.02	0.63%	181.24
Pro Trusted Med Tech Limited (formerly known as FX Import Hong Kong Limited)	0.02%	25.75	-0.04%	(10.92)	0.00%	-	-0.04%	(10.92)
PG Group Limited	3.88%	4,091.79	4.53%	1,200.28	0.00%	-	4.15%	1,200.28
PDS Smart Fabric Tech Limited (formerly known as Fullhouse Manufacturing Limited)	0.43%	457.96	-0.06%	(16.49)	0.00%	-	-0.06%	(16.49)
Norwest Industries Limited and its subsidiaries	76.28%	80,369.68	36.97%	9,795.19	-23.85%	(576.29)	31.88%	9,218.90
Progress Manufacturing Group Limited	9.49%	9,994.47	-0.16%	(41.21)	-0.14%	(3.46)	-0.15%	(44.67)
Progress Apparels (Bangladesh) Limited	5.61%	5,909.03	4.41%	1,167.60	0.00%	-	4.04%	1,167.60
Green Apparel Industries Limited	-5.17%	(5,450.75)	0.20%	52.66	-0.47%	(11.43)	0.14%	41.22
Green Smart Shirts Limited	9.88%	10,407.24	2.30%	609.05	0.00%	-	2.11%	609.05
PDS Asia Star Corporation Limited and its subsidiaries	2.85%	3,003.46	3.23%	854.88	0.00%	-	2.96%	854.88
Simple Approach Limited and its subsidiaries	3.97%	4,186.55	9.60%	2,542.82	0.00%	-	8.79%	2,542.82
Zamira Fashions Limited and its subsidiaries	0.45%	479.20	0.33%	87.33	0.00%	-	0.30%	87.33
Poeticgem International Limited	1.75%	1,841.96	4.20%	1,113.18	0.00%	-	3.85%	1,113.18
Grupo Sourcing Limited and its subsidiaries	0.03%	32.04	-0.38%	(101.38)	0.00%	-	-0.35%	(101.38)
Techno Design HK Limited	4.62%	4,866.77	9.79%	2,593.19	0.00%	-	8.97%	2,593.19
Blueprint Design Limited	-3.31%	(3,491.70)	-0.01%	(1.72)	0.00%	-	-0.01%	(1.72)
Poetic Brands Limited	1.41%	1,482.10	0.93%	247.01	0.00%	-	0.85%	247.01
FX Import Company Limited	-0.50%	(530.64)	-0.02%	(6.12)	0.00%	-	-0.02%	(6.12)
Poeticgem Limited	10.62%	11,193.77	13.61%	3,605.97	-4.18%	(100.93)	12.12%	3,505.04
Poetic Knitwear Limited	-0.68%	(721.59)	-0.01%	(1.97)	0.00%	-	-0.01%	(1.97)
Design Arc UK Limited	0.70%	741.92	0.45%	119.80	0.00%	-	0.41%	119.80
Pacific Logistics Limited	-0.39%	(412.39)	-0.02%	(5.82)	0.00%	-	-0.02%	(5.82)
Casa Forma Limited	0.02%	18.57	0.01%	3.37	0.00%	-	0.01%	3.37
PDS fashion Limited	0.17%	174.46	-0.20%	(54.13)	0.00%	-	-0.19%	(54.13)
Recovered Clothing Limited	0.02%	15.84	0.52%	137.33	0.00%	-	0.47%	137.33
Multinational OSG Services Bangladesh Private Limited	0.47%	495.76	-0.35%	(92.06)	0.00%	-	-0.32%	(92.06)
Spring Near East FZCO	1.78%	1,870.99	-0.21%	(56.97)	0.00%	-	-0.20%	(56.97)
Techno Sourcing BD Limited	0.31%	324.48	-0.09%	(22.72)	-0.09%	(2.08)	-0.09%	(24.80)
Techno Design USA LLC	-0.13%	(136.12)	-0.02%	(4.22)	0.00%	-	-0.01%	(4.22)
Upcycle Labs Limited (Ertswhile known as Filkor Ltd)	-0.07%	(69.42)	-3.41%	(904.66)	0.00%	-	-3.13%	(904.66)
PDS Venture Limited, HK (Erstwhile Smart Notch Limited)	16.92%	17,830.72	0.17%	45.89	0.00%	-	0.16%	45.89
Apex black	3.11%	3,273.70	0.18%	48.56	0.00%	-	0.17%	48.56



Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 49: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ associates/ joint ventures. (Contd..)

Name of enterprises	Net assets i.e. total assets minus total liability		Share in profit/(loss) for the year		Share in other comprehensive income		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Design Arc FZCO	-0.30%	(311.45)	-0.10%	(26.72)	0.00%	-	-0.09%	(26.72)
Kleider Sourcing FZCO	1.21%	1,270.14	11.95%	3,165.22	0.00%	-	10.95%	3,165.22
Twins Asia FZCO	1.95%	2,053.80	3.58%	949.13	0.00%	-	3.28%	949.13
Clover Collections FZCO	2.87%	3,027.62	14.83%	3,929.44	0.00%	-	13.59%	3,929.44
Poeticgem International FZCO	0.32%	334.01	1.67%	441.70	0.00%	-	1.53%	441.70
PDS Multinational FZCO	9.14%	9,633.27	6.90%	1,827.19	0.00%	-	6.32%	1,827.19
Collaborative Sourcing Services FZCO	0.14%	147.82	0.46%	122.72	0.00%	-	0.42%	122.72
PDS Logistics FZCO	0.01%	13.52	-0.03%	(8.67)	0.00%	-	-0.03%	(8.67)
PDS Brands Manufacturing FZCO	0.01%	9.42	-0.05%	(12.67)	0.00%	-	-0.04%	(12.67)
PDS Sourcing FZCO	0.02%	19.87	-0.01%	(2.45)	0.00%	-	-0.01%	(2.45)
PG Capital FZE	0.14%	144.46	0.27%	71.66	0.00%	-	0.25%	71.66
Foreign associates								
Sourcing Solutions Europe BVBA	0.04%	47.20	-0.59%	(155.93)	0.00%	-	-0.54%	(155.93)
Loop Digital Wardrobe Ltd	0.15%	159.84	-0.10%	(26.52)	0.00%	-	-0.09%	(26.52)
GWD Enterprises Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign joint ventures								
Redwood Internet Ventures Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Upcycle Labs Limited (Ertswhile known as Filkor Ltd)	0.00%	-	-0.09%	(24.48)	0.00%	-	-0.08%	(24.48)
Yellow Octopus EU Sp. z o.o. sp.K.	9.09%	9,573.47	0.90%	238.87	0.00%	-	0.83%	238.87
	263.25%	2,77,377.03	206.86%	54,813.57	13.27%	320.69	190.68%	55,134.26
Non-controlling interest in subsidiaries	-5.59%	(5,893.13)	-23.32%	(6,179.00)	-12.04%	(290.89)	-22.38%	(6,469.89)
Intercompany elimination and consolidation adjustments	-157.65%	(1,66,116.07)	-83.54%	(22,136.72)	98.77%	2,386.33	-68.31%	(19,750.40)
Grand-total	100.00%	1,05,367.83	100.00%	26,497.84	100.00%	2,416.13	100.00%	28,913.97

- (a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (b) The Group does not have any transactions with companies struck off.
- (c) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (d) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (e) The group has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Note 50: Covid-19

The spread of COVID-19 had severely impacted businesses around the globe in FY 2020 and FY 2021. As a result, the operations of the Group were impacted in these financial years with a series of lockdowns announced by the Governments of respective countries. However, in the current year, the Group has carried out its business activities without any significant limitations imposed due to COVID-19. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business and believes that it has sufficient financial resources to operate for the next twelve months.

Note 51: Others

- (a) In the view of management, no material events have occurred between the Balance Sheet date to the date of issue of these consolidated financial statements that could affect the values stated in the financial statements as at March 31, 2023.
- (b) Figures have been rounded off to the nearest lakhs except otherwise stated.
- (c) Prior year amounts have been regrouped / reclassified wherever necessary, to conform to the presentation in the current year, which are not material.

As per our report of even date attached

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

For And On Behalf Of Board Of Directors Of PDS Limited

(Formerly PDS Multinational Fashions Limited)

Aasheesh Arjun Singh

Partner

Membership Number: 210122

Deepak Kumar Seth

Chairman & Non-Executive

Director

Din : 00003021

Pallak Seth

Vice Chairman & Executive

Director

Din : 00003040

Sanjay Jain

Chief Executive Officer

Rahul Ahuja

Chief Financial Officer

Abhishekh Kanoi

Head Of Legal & Company

Secretary

M. No. FCS 9530

Mumbai, India

May 11, 2023

Mumbai, India

May 11, 2023



ASSURANCE STATEMENT

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center
Tower 3, 27th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 22 6165 4000
Fax: +91 22 6165 4101

Independent Limited Assurance Report on Identified Sustainability Indicators presented in the Business Responsibility and Sustainability Report (BRSR) of PDS Limited for the FY 2022-23

To the Board of Directors of PDS Limited

We Deloitte Haskins & Sells LLP have been engaged by the management of PDS Limited (the "Company") to provide independent limited assurance on the Identified Sustainability Indicators described below and presented in the Business Responsibility and Sustainability Report (the "BRSR", the "Report") of the Company in accordance with the criteria stated in paragraph 2. This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and environmental experts.

1. Identified Sustainability Indicators

Our scope of limited assurance covers the review and verification of Identified Sustainability Indicators in the BRSR as per the criteria described below within the Reporting Boundary of the Report. The Identified Sustainability Indicators are the Essential / Leadership indicators in BRSR as mentioned in Annexure I below.

Our limited assurance engagement was with respect to the year ended 31 March 2023 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

2. Criteria

The criteria used by the Company to prepare the BRSR is the Guidance note for Business Responsibility & Sustainability Reporting Format as issued by Securities and Exchange Board of India (SEBI) (referred to as the Criteria).

3. Responsibility of the Management

The Company's management is responsible for identification, selection of companies/ locations/ offices considered as the Reporting Boundary of the Report and reporting information accurately per the selected Reporting boundary. It is responsible for selecting suitable criteria for preparing the BRSR, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Indicators, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the BRSR in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Indicators, which is free from material misstatement, whether due to fraud or error.

4. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.



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5. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

Our firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

6. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators, as disclosed in the Report, as per the Criteria, based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance in accordance with Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India effective from financial year ended March 31, 2023. This standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators, assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and, agreeing, or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Interviewed key personnel of the Company to understand the systems and processes in place for capturing the Identified Sustainability Indicators during the reporting period;
- Tested data, reviewed records and relevant documentation submitted by the Company on sample basis for sample locations;
- Analysed and reviewed key data reports, processes, procedures relating to collation, aggregation, validation and reporting of the Identified Sustainability Indicators on sample basis; and





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- Reviewed the reasonableness of various assumptions, estimates and materiality thresholds used in preparation of Identified Sustainability Indicators .

We have relied on the information, documents, records, and explanations provided by the Company for the purpose of our review.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Indicators have been presented, in all material respects, in accordance with the Criteria.

Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Locations of the Company other than those mentioned in the Identified Sustainability Indicators paragraph.
- Testing the operating effectiveness of management systems and controls.
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Indicators.
- Data and information outside the defined reporting period i.e., for the year ended March 31, 2023.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company in the Report.

7. Our Conclusion

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Indicators for the year ended March 31, 2023, are not prepared, in all material respects, in accordance with Criteria.



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B. Restriction on use and distribution

Our limited assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the Company in reporting on the Company's Sustainability performance and activities in the BRSR. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. We neither accept nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)



Pratik Shah
Partner
Membership No. 111850
UDIN: 23111850BHANN7005

Place: Mumbai
Date: July 7, 2023

**Deloitte
Haskins & Sells LLP****Annexure I**

Sr no.	BRSR indicator reference ('E' indicates Essential Indicator & 'L' indicates Leadership Indicator)	Description of indicator	Companies /Locations covered in the Report on sample basis as applicable
1	Section C - Principle 6 - E1	Details of total energy consumption (in Joules or multiples) and energy intensity.	<ul style="list-style-type: none"> NorLanka, Manufacturing Colombo Limited (factory at Colombo, Sri Lanka). Green Smart Shirts Limited (factory at Dhaka, Bangladesh). Progress Apparels Limited (factory at Dhaka, Bangladesh).
2	Section C - Principle 6 - E3	Details of the disclosures related to water - i. water withdrawal by source ii. total volume of water consumption iii. water intensity per rupee of turnover	
3	Section C - Principle 6 - E5	Details of air emissions (other than GHG emissions) by the entity.	
4	Section C - Principle 6 - E6	Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity.	
5	Section C - Principle 6 - E8	Details of the disclosures related to waste management by the entity - i. total waste generated ii. total waste recovered through recycling, re-using or other recovery operations iii. total waste disposed by nature of disposal method	
6	Section C - Principle 6 - L1	Break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources.	
7	Section C - Principle 2 - E1	Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.	<ul style="list-style-type: none"> Nor Lanka Manufacturing Colombo Limited Green Smart Shirts Limited Progress Apparels Limited
8	Section C - Principle 3 - E1	Details of measures for the well-being of employees and workers in the following categories listed below: i. Health Insurance ii. Accident Insurance iii. Parental Benefits iv. Maternity Benefits v. Day care facilities	<ul style="list-style-type: none"> Collaborative Sourcing Services FZCO Green Smart Shirts Limited Nor Lanka Manufacturing Limited PDS Far East Limited PDS Limited Progress Apparels (Bangladesh) Limited
9	Section C - Principle 3 - E2	Number of employees and workers covered under retirement benefits during the year 2022-23	
10	Section C - Principle 3 - E9	Number of employees and workers covered in performance and career development reviews during the year 2022-23	
11	Section C - Principle 5 - E2	Details of minimum wages paid to employees and workers during the year 2022-23	<ul style="list-style-type: none"> DBS Lifestyle India Private Limited



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			<ul style="list-style-type: none"> • Digital Ecom Techno Private Limited • Norlanka Brands Pvt Limited • PDS Limited • SOT Garments Private Limited • Technocian Fashions Private Limited
12	Section C – Principle 5 – E3	Disclosure of details of remuneration/salary/wages under each category - i. Board of Directors (BoD) ii. Key Managerial Personnel (KMP) iii. Employees other than BoD and KMP iv. Workers	<ul style="list-style-type: none"> • Collaborative Sourcing Services FZCO • Green Smart Shirts Limited • Nor Lanka Manufacturing Limited • PDS Far East Limited • PDS Limited • Progress Apparels (Bangladesh) Limited
13	Section C – Principle 5 – E6	Number of Complaints on the following made by employees and workers 1. Sexual Harassment 2. Discrimination at workplace 3. Child Labour 4. Forced Labour/Involuntary Labour 5. Wages 6. Other human rights related issues	<ul style="list-style-type: none"> • PDS Limited
14	Section C – Principle 8 – E4	Percentage of input material (inputs to total inputs by value) sourced from suppliers: 1. Directly sourced from MSMEs/ small producers 2. Sourced directly from within the district and neighbouring districts	<ul style="list-style-type: none"> • Krayons Sourcing Limited • Nor Lanka Manufacturing Limited • Norlanka Brands Private Limited • PDS Asia Star Corporation Limited • Poethigem Limited
15	Section C – Principle 8 – L6	Number of beneficiaries of CSR Projects	<ul style="list-style-type: none"> • PDS Limited





Global | Collaborative | Digital | Ethical

PDS Limited

(Erstwhile PDS Multinational Fashions Limited)

CIN: L18101MH2011PLC388088

Regd. Office: Unit No.971, Solitaire Corporate Park, Andheri – Ghatkopar Link Road, Andheri (East),
Mumbai – 400093, Maharashtra. India.

E-mail: investors@pds Ltd.com • **Website:** www.pds Ltd.com • **Tel:** +91 22 41441100

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the Members of **PDS Limited** (Erstwhile PDS Multinational Fashions Limited) will be held on **Monday, the 31st day of July, 2023 at 2:30 P.M. (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) Facility, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.
2. To declare the final dividend of ₹2.60/- (Rupees Two Rupees Sixty Paise Only) per share for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mrs. Payel Seth (DIN: 00003035) who retires by rotation and, being eligible, offers herself for re-appointment.

By Order of the Board of Directors
for **PDS Limited**

(Erstwhile PDS Multinational Fashions Limited)

Place: Mumbai, India
Date: May 11, 2023

Abhishekh Kanoi
Head of Legal & Company Secretary
ICSI Membership No.: F-9530

Regd. Office:

Unit No.971, Solitaire Corporate Park,
Andheri – Ghatkopar Link Road, Andheri (East),
Mumbai – 400093, Maharashtra. India.

E-mail: investors@pds Ltd.com

Website: www.pds Ltd.com

NOTES:

1. In accordance with General Circular No.14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 5, 2020; 02/2021 dated January 13, 2021; 03/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and any amendment/ modification thereof issued by the Ministry of Corporate Affairs ("MCA") (hereinafter referred as "MCA Circulars") and read with the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 12th Annual General Meeting (AGM) of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 12th AGM shall be Registered Office of the Company.
2. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
3. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed as **Annexure-I**.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI 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 and Attendance Slip are not annexed to this Notice.
5. Corporate Members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/ JPG Format) of the relevant Board Resolution/ Authority Letter etc. authorizing its representatives to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting, by e-mail to investors@pdsLtd.com.
6. The Members may join the 12th AGM through VC/ OAVM Facility by following the procedure mentioned herein below in the Notice which shall be kept open for the Members

from 2:15 P.M. IST i.e. 15 (fifteen) minutes before the time scheduled to start the 12th AGM and the Company may close the window for joining the VC/OAVM Facility 15 (fifteen) minutes after the scheduled time to start the 12th AGM. Members may note that the VC/ OAVM Facility, allows participation of at least 1,000 Members on a 'first come first served' basis. The large Shareholders (i.e. shareholders holding 2% or more), promoters, institutional investors, directors, key managerial personnel, the Chairpersons/ Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. can attend the 12th AGM without any restriction on account of 'first come first served' basis.

7. The attendance of the Members participating in the 12th AGM through VC/ OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. Monday, July 24, 2023.
9. Electronic copy of the Annual Report for the financial year 2022-23 is being sent to all the Members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, hard copies of the Annual Report for the financial year 2022-23 are being sent in the permitted mode.

Electronic copy of the Notice of the 12th AGM of the Company, inter-alia, indicating the process and manner of electronic voting ("e-voting") is being sent to all the members whose email addresses are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email address, hard copies of the Notice of the 12th AGM of the Company, inter-alia, indicating the process and manner of e-voting are being sent in the permitted mode.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2022-23 and Notice of the 12th AGM of the Company, may send request to the Company's email address at investors@pdsLtd.com mentioning Foilo No./ DP ID and Client ID.

10. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the MCA Circulars and SEBI Circulars, the Annual Report including Notice of the 12th AGM of the Company will also be available on the website of the Company at www.pdsLtd.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock



Exchange of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited ("LinkIntime") at <https://instavote.linkintime.co.in>.

11. Pursuant to Section 91 of the Act, the Register of Members of the Company will remain closed from Tuesday, July 25, 2023 to Monday, July 31, 2023 (both the days inclusive).
12. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent, LinkIntime at their address – Noble Heights, 1st floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi – 110058; Email – delhi@linkintime.co.in.
13. Members must quote their Folio No. /Demat Account No. and contact details such as e-mail address, contact no. etc. in all their correspondence with the Company's Registrar and Share Transfer Agent, LinkIntime.
14. SEBI has made an amendment to Regulation 40 of the SEBI Listing Regulations with respect to mandatory dematerialization for transfer of securities. Pursuant to the aforesaid amendment, Listed Companies and their Registrars and Transfer Agents (RTAs) are advised to ensure that shares which are lodged for transfer are mandatory in dematerialized form with effect from April 1, 2019. Therefore, shareholders are requested to get their physical shareholding dematerialized for any further transfers.
15. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Shareholders holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).

SEBI further vide its circular dated November 3, 2021 read with circular dated December 14, 2021 has also provided for mandatory furnishing of PAN, KYC details, nomination, freezing of folios without valid PAN, KYC details, compulsory linking of PAN and Aadhar by shareholders holding securities in physical form. Non-availability of any one of the cited document/detail with the Company / RTA on or after April 1, 2023 will result in freezing of the folios by the RTA of the Company as per the said SEBI Circulars and such shareholders will not be eligible to lodge grievance, or avail service request from the RTA and also not eligible for payment of dividend unless complete documents are provided. Accordingly, such shareholders are requested to submit the requisite information / documents at the earliest with the RTA of the Company. The relevant documents for same may be accessed from the Company's website at: [https:// www.pdsltd.com/Investor-Information.aspx](https://www.pdsltd.com/Investor-Information.aspx)

16. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
17. The Registers maintained under Section 170 & 189 of the Act and all relevant documents as referred in the Notice calling the AGM will be available electronically for inspection by the Members upto the date of AGM. Members seeking to inspect such documents can send an email to investors@pdsltd.com.
18. Pursuant to demerger, the unclaimed shares lying in the suspense account of the Company, are also required to be transferred to an IEPF. Members who have not claimed their shares are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with prescribed procedure.
19. Members who wish to obtain any information on the Company or view the financial statements for the financial year ended March 31, 2023 send their queries at investors@pdsltd.com at least 7 (Seven) days before the date of 12th AGM. The same will be replied by/ on behalf of the Company suitably.
20. Members who have not registered their E-mail address so far are requested to register their e-mail for receiving all communications including Annual Report, Notices and Circulars etc. from the Company electronically. Members can do this by updating their email addresses with their depository participants.
21. In case of joint holders attending the 12th AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

22. DIVIDEND

The Board of Directors has recommended Final Dividend of ₹2.60/- per Equity Share of ₹2/- each for the year ended March 31, 2023, subject to the approval of the shareholders at the 12th AGM. Pursuant to the provisions of Section 123 of the Companies Act, 2013, the payment of final dividend on equity shares, upon declaration by the shareholders at the Annual General Meeting, will be made on or before Tuesday, August 29, 2023, as under:

- a. to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) at the closure of business hours on Monday, July 24, 2023 and

- b. to all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on Monday, July 24, 2023.

c. Payment of Dividend through electronic means

- To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number and original cancelled cheque leaf bearing the name of the first-named shareholder as account holder, to the Company's Registrar and Share Transfer Agent - LinkIntime.
- Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
- Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective Depository Participant of the Members.
- Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
- Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in

the below paragraphs, in accordance with the provisions of the IT Act:

For Resident Shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2023-24 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the Member or details as prescribed under rule 37BC of Income-tax Rules, 1962.
- Copy of Tax Residency Certificate for financial year 2023-24 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F.



- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents can be downloaded from LinkIntime's website at <https://linkintime.co.in/client-downloads.html> on general tab and are required to be uploaded on the LinkIntime's portal at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 5 pm (IST), Monday, July 24, 2023 to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Incomplete and/or unsigned forms and declarations will not be considered by the Company. Any communication on the tax determination/ deduction received post 5:00 pm (IST) Monday, July 24, 2023 shall not be considered. All communications/ queries in this respect should be addressed to our RTA, LinkIntime to its email address at delhi@linkintime.co.in. The Company will arrange to email a soft copy of the TDS Certificate at the shareholders registered email ID post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

- Members holding shares in physical form are advised to furnish, on or before Monday, July 24, 2023 particulars of their bank account, if not done already or if it has changed, to the Company to incorporate the same in the dividend warrants/ payment instruments.
- Section 72 of the Act provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by LinkIntime on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

Members who have not encashed dividend declared by the Company during previous years, are advised to write to the Company immediately at investors@pds Ltd.com.

23. VOTING

In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its Members the facility to cast their votes either for or against each resolutions set forth in the Notice of the 12th AGM using electronic voting system ('remote e-voting') and e-voting (during the 12th AGM), provided by LinkIntime and the business may be transacted through such voting.

Only those Members who will be present in the 12th AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 12th AGM.

The voting period begins Friday, July 28, 2023 (9.00 AM IST) and ends on Sunday, July 30, 2023 (5.00 PM IST). During this period, Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Monday, July 24, 2023 may cast their votes electronically. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of 12th AGM and holds shares as of the cut-off date i.e. Monday, July 24, 2023 may obtain the login ID and password by sending a request at investors@pds Ltd.com or delhi@linkintime.co.in (RTA email id). However, if a Member is already registered with LinkIntime for e-voting, then he/she can use existing user id and password/PIN for casting the vote.

A. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the "**Company**" and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/ Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

E. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

- Shareholders who would like to speak during the meeting must register their request 7(Seven) days in advance i.e. on or before Monday, July 24, 2023 with the company on the specific email id i.e. investors@pdsLtd.com.
- Shareholders will get confirmation on first cum first basis.
- Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
- Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

F. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

- Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.



- Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175

G. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

Pursuant to SEBI circular dated December 9, 2020 individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

LOGIN METHOD –

Login Method for	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 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 the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access the 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, the 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.

Login Method for	Login Method
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<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 the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode	<p>Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: <p>Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</p> PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <p>*Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</p> <p>*Shareholders holding shares in NSDL form, shall provide ‘D’ above</p> <ul style="list-style-type: none"> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. <p>Cast your vote electronically:</p> <ol style="list-style-type: none"> After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.



GUIDELINES FOR INSTITUTIONAL SHAREHOLDERS:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

HELPDESK:

Helpdesk for	Email IDs/ Helpline Numbers						
Individual Shareholders holding securities in physical mode/ Institutional shareholders:	Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: +91-22-49186000.						
Individual Shareholders holding securities in demat mode	Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.						
	<table> <tr> <th>Login type</th><th>Helpdesk details</th></tr> <tr> <td>Individual Shareholders holding securities in demat mode with NSDL</td><td>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 +91-22-24997000</td></tr> <tr> <td>Individual Shareholders holding securities in demat mode with CDSL</td><td>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</td></tr> </table>	Login type	Helpdesk details	Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and +91-22-24997000	Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Login type	Helpdesk details						
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and +91-22-24997000						
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33						

FORGOTTEN PASSWORD:

for	Method
Individual Shareholders holding securities in Physical mode has forgotten the password:	<p>If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in</p> <ul style="list-style-type: none"> Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?' Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT". <p>In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.</p> <p>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.</p>

for	Method
Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password	<p>Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.</p> <ul style="list-style-type: none"> • It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. • For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. • During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

24. Mr. Gaurav Sainani, Partner (C.P.No. 24482) or failing him Mr. Sunny Gogiya, Partner (C.P. No. 21563) of M/s SGGs and Associates, Practicing Company Secretaries (FRN: P2021MH086900) have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the remote e-voting process and voting through Ballot at the 12th AGM in a fair and transparent manner.
25. The Scrutinizer shall, immediately after the conclusion of voting at the 12th AGM, first count the votes cast during the 12th AGM, thereafter unblock the votes cast through remote e-voting and make, within 2 (Two) working days of the conclusion of the 12th AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.pdsltd.com) and on the website of LinkIntime (<https://instavote.linkintime.co.in>) immediately. The result will also be displayed on the Notice Board of the Company at its Registered Office. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the 12th AGM i.e. Monday, July 31, 2023.
26. Section 72 of the Act provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by LinkIntime on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

By Order of the Board of Directors
for **PDS Limited**
(Erstwhile PDS Multinational Fashions Limited)

Place: Mumbai, India
Date: May 11, 2023

Abhishekh Kanoi
Head of Legal & Company Secretary
ICSI Membership No.: F-9530

Regd. Office:

Unit No.971, Solitaire Corporate Park,
Andheri – Ghatkopar Link Road, Andheri (East),
Mumbai – 400093, Maharashtra. India.
E-mail: investors@psdltd.com
Website: www.pdsltd.com

**Annexure-I****(for Item No. 3)****DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT FURNISHED PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF THE SECRETARIAL STANDARD-2**Details of Director seeking re-appointment at the forthcoming 12th AGM

Name of Director	Mrs. Payel Seth
DIN	00003035
Date of Birth	May 29, 1958
Nationality	Indian
Age	64 years
Qualification(s)	Graduated from the Pearl Academy of Fashion in July 1996
Experience (including expertise in specific functional area) / Brief Profile	An alumnus of the Pearl Academy of Fashion, Mrs. Payel Seth has been associated with the PDS Group as Promoter Director since incorporation. She has rich experience in the design and retailing of Indian and Western clothing, jewellery and accessories. Her entrepreneurial nature helped in establishing PDS's retail presence across India. She has led the education and Corporate Social Responsibility initiatives of the PDS Group.
Date of first Appointment on the Board	April 6, 2011
Details of Shareholding the Company as on March 31, 2023	6,93,76,210 Equity Shares
Directorship held in other Companies as on March 31, 2023	Directorship in Pearl Apparel Fashions Limited
Relationship with Directors and Key Managerial Personnel	Wife of Mr. Deepak Kumar Seth, Non-Executive and Non-Independent Director and Mother of Mr. Pallak Seth, Executive Vice Chairman
No. of Board Meetings attended in FY 2022- 23	3 meetings attended out of 8
Terms and conditions of re-appointment	No special perquisites or benefits as a Director. All terms and conditions of appointment as per applicable policies of the Company. As a Director she is liable to retire by rotation.
Details of last drawn remuneration and proposed remuneration	Not Applicable
Memberships/Chairmanships of Committees of other companies	NIL
Number of Stock Options	Not Applicable

By Order of the Board of Directors
for **PDS Limited***(Erstwhile PDS Multinational Fashions Limited)*

Place: Mumbai, India

Date: May 11, 2023

Abhishekh KanoiHead of Legal & Company Secretary
ICSI Membership No.: F-9530**Regd. Office:**Unit No.971, Solitaire Corporate Park,
Andheri – Ghatkopar Link Road, Andheri (East),
Mumbai – 400093, Maharashtra. India.E-mail: investors@pdsLtd.comWebsite: www.pdsLtd.com

Notes



CORPORATE OFFICE

Unit No. 971,
Solitaire Corporate Park,
Andheri – Ghatkopar Link Road
Andheri (East), Mumbai – 400093
Maharashtra, India
www.pdsltd.com

