MRVL
MANDHANA RETAIL VENTURES LTD.

The Mandhana Retail Ventures Limited

(formerly known as Mandhana Retail Ventures Limited)

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Palghar- 401506
Corporate Office: 006-008, Peninsula Center, Dr. S. S. Rao Road, Parel, Mumbai – 400012
Tel: 91-22-4353 9126 • **Fax:** +91 22 4353 9358 • **E-mail:** cs@mandhanaretail.com
Website: www.mandhanaretail.com

NOTICE OF THE 7th ANNUAL GENERAL MEETING

To,
The Members,

NOTICE is hereby given that the Seventh Annual General Meeting of the Members of **The Mandhana Retail Ventures Limited** ('Company') will be held at Plot No. C-2, M.I.D.C., Tarapur Industrial Area, Boisar, District Palghar - 401 506 on Saturday, the 25th day of August, 2018 at 12 Noon, for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Priyavrat P. Mandhana, (DIN: 02446722) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Increase in the Authorised Share Capital of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, approval of the Members be and is hereby accorded to increase the authorised share capital of the Company from ₹ 30,00,00,000/- (Rupees Thirty Crore Only) divided into 3,00,00,000 (Three Crores) equity shares of ₹10/- (Rupees Ten Only) each to ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crores) equity shares of ₹ 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolution any one of the Executive Directors and/ or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the resolution."

4. Alteration in Clause V(a) of Memorandum of Association of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder and subject to such other approval(s) from any Statutory Authority(ies), if any, Clause V(a) of the Memorandum of Association of the Company be substituted by the following clause:

V(a) The Authorised Share Capital of the Company is ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crores) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolution any one of the Executive Directors and/ or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the resolution."

5. Alteration in Clause 3 of Articles of Association of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder and subject to such other approval(s) from any Statutory Authority(ies), if any, the consent of the Members be and is hereby accorded for substituting clause 3 of Articles of Association of the Company with the following clause:

3. The Authorised Share Capital of the Company is ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crores) Equity shares of ₹ 10/- (Rupees Ten Only) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, with power to increase, consolidate or decrease the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with these Articles and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the Act or provided by these Articles.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolution any one of the Executive Directors and/ or Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things as may be necessary to give effect to the resolution."

6. Issue of Securities for an aggregate amount not exceeding ₹ 50 Crore

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 55, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments thereto, statutory modifications or re-enactment thereof for the time being in force) ("Act") and the applicable provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA") and regulations made thereunder including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended ("FEMA Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended ("FCCB Scheme"), the Depository Receipts Scheme, 2014, and in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations") and in accordance with all other applicable laws, rules, regulations, guidelines, policies, notifications, circulars and clarifications issued by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Ministry of Finance (Foreign Investment Promotion Board, Department of Economic Affairs), the Ministry of Commerce & Industry (Department of Industrial Policy & Promotion/ Secretariat for Industrial Assistance) and/or any other ministry/ department of the GOI and/ or any other competent regulatory and statutory authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by GOI, RBI, SEBI and / or any other appropriate authorities and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to required approvals, consents, permissions and/ or sanctions of the appropriate authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall deem to include any Committee thereof), consent of the members of the Company be and is hereby accorded to create, offer, issue and allot (including any provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons/bodies corporate as may be permitted), with or without a green shoe option, either in India or in the course of international offering(s) in one or more foreign markets, such number of Equity Shares, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs") (whether listed or otherwise), non-convertible debentures with or without warrants, other financial instruments convertible into Equity Shares (including warrants or otherwise, in registered or bearer form), bonds or notes (whether listed or unlisted), any security convertible into Equity Shares with or without voting / special rights, securities linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares, secured or otherwise (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, whether Indian rupee denominated or denominated in foreign currency, to any eligible person, as permitted under applicable law including qualified institutional buyers, foreign / Indian resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), foreign institutional investors, Indian and / or multilateral financial institutions, foreign portfolio investors, mutual funds, non-resident Indians, stabilizing agents and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the "Investors") whether or not such Investors are members of the Company, as may be decided by the Board in their discretion and permitted under applicable laws and regulations, of an aggregate amount up to ₹50,00,00,000/- (Rupees Fifty Crore Only) or equivalent thereof in one or more foreign currency and / or Indian rupees, inclusive of such premium as may be fixed on such Securities by offering the Securities in one or more countries through public issue(s) of prospectus, private placement(s), follow on offer or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) either in foreign currency or equivalent Indian rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the "Issue").

RESOLVED FURTHER THAT in relation to the Issue, the Board be and is hereby authorized to issue and allot such number of Securities as may be required to be issued and allotted, including redemption or cancellation of any such securities in accordance with the terms of the Issue in respect of the Securities or any subsequent amendment to the terms of the Issue as the Board may decide subsequent to the Issue and to exercise all powers relating to the Issue and all such equity shares shall rank pari passu with the then existing Equity Shares in all respects including dividend except as provided otherwise under the terms of Issue and in the offer document / offer letter/offering circular and / or listing particulars.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to the applicable laws and subject to the approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms to provide for the tradability on stock exchanges whether in India/ abroad and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions for issue of additional Securities

and the Board, subject to applicable laws, regulations and guidelines, be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT if the issue or any part thereof is made by way of a Qualified Institutions Placement ("QIP") pursuant to Chapter VIII of the SEBI ICDR Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall be only to Qualified Institutional Buyers as defined under the SEBI ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in the event of issue of Securities by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI ICDR Regulations, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Securities or such other time as may be decided by the Board and as permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, pursuant to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of pricing of the Securities to be issued pursuant to such issue shall be the date of the meeting in which the Board or duly authorised Committee of Directors decides to open such issue after the date of this resolution.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as ADRs or GDRs, the pricing of the Securities and the relevant date, if any, for the purpose of pricing of the Securities to be issued pursuant to such issue shall be determined in accordance with the provisions of applicable law including the provisions of the Depository Receipts Scheme, 2014, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and such other notifications, clarifications, circulars, guidelines, rules and regulations issued by Relevant Authorities (including any statutory modifications, amendments or re-enactment thereof).

RESOLVED FURTHER THAT the Board be and is hereby authorized to engage / appoint the Lead Managers, Legal Advisors, Underwriters, Guarantors, Depositories, Custodians, Registrars, Stabilizing Agent, Trustees, Bankers, Escrow Agents, Paying and Conversion Agents, Advisors and all such agencies as may be involved or concerned depending on the nature of the offering of the Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies and to seek the listing of such Securities on one or more national and/or international stock exchange(s).

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, *inter-alia*, subject to the following terms and conditions:

(a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which they are offered to the existing members;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned Stock Exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable including, but not limited to, finalization and approval of the preliminary and final offer documents, determining the form, manner and terms of the Issue in accordance with applicable regulations and prevalent market practices, class of Investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium payable on issue/ conversion of Securities/ exercise of warrants/ redemption of Securities, rate of interest, redemption period, number of equity shares to be issued upon conversion/ redemption/ cancellation of the Securities, listings on one or more stock exchanges in India/ or abroad and any other terms and conditions of the issue including any alterations or modifications to the terms of the Securities (including any alteration or modification, after issue of Securities) and execution of various agreements or documents, creation of mortgage/ charge in accordance with Section 180(1)(a) of the

Companies Act, as it may in its absolute discretion deem fit and to settle any questions, difficulties or doubts that may arise in regard to the issue, offer and allotment of the Securities and utilization of the Issue proceeds, accept any modifications in the proposal as may be required by the Appropriate Authorities as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto for all such acts, deeds, matters and things expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any one or more Directors or Committee or Company Secretary, with a power to delegate further to any other officer(s) of the Company."

7. Revision in Terms and Conditions of Remuneration Payable to Mrs. Sangeeta Mandhana in alignment with the Amended Provisions of Schedule V to the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** in furtherance to the resolution passed by the Members of the Company at the 5th Annual General Meeting held on 7th September, 2016 (said AGM), for appointment (including remuneration) of Mrs. Sangeeta Mandhana (DIN: 06934972) as the Managing Director of the Company for a period of 3 years with effect from 1st September, 2016 and pursuant to Sections 196, 197, 198 and 203 and all other applicable provisions, if any, of the Companies Act, 2013,(the 'Act') and the rules made thereunder (including any statutory modification or re-enactment thereof), provisions contained under Articles of Association of the Company, the Nomination and Remuneration Policy of the Company and subject to such permissions and consent, if any, from the Statutory Authorities, the Members of the Company hereby accord their approval for the payment of the remuneration to Mrs. Sangeeta Mandhana, as approved by the Members in the said AGM, as Minimum Remuneration, in the event of any inadequacy or absence of profits in any financial year or years for the remaining period of her tenure, and that the maximum remuneration shall be within the limits prescribed under the provision of revised Schedule V to the Companies Act, 2013 as amended by the Ministry of the Corporate Affairs vide a notification bearing number S.O.2922 (E) dated 12th September, 2016.

RESOLVED FURTHER THAT save and except as aforesaid, the Resolution approved and passed by the Members in the said AGM with respect to the appointment of Mrs. Sangeeta Mandhana, as Managing Director, shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mrs. Sangeeta Mandhana as Managing Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid resolution."

8. Revision in Terms and Conditions of Remuneration Payable to Mr. Priyavrat Mandhana in alignment with the Amended Provisions of Schedule V to the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** in furtherance to the resolution passed by the Members of the Company at the 5th Annual General Meeting (said AGM) held on 7th September, 2016, for appointment (including remuneration) of Mr. Priyavrat Mandhana (DIN: 02446722) as the Executive Director of the Company for a period of 3 years with effect from 1st September, 2016 and pursuant to Sections 196, 197, 198 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the rules made thereunder (including any statutory modification or re-enactment thereof), read with Schedule V to the Companies Act, 2013, provisions contained under Articles of Association of the Company, the Nomination and Remuneration Policy of the Company and subject to approval of the Board of Directors and Members and subject to such permissions and consent, if any, from the Statutory Authorities, the Members of the Company hereby accord their approval for the payment of the remuneration to Mr. Priyavrat Mandhana, as approved by the Members in the said AGM, as Minimum Remuneration, in the event of any inadequacy or absence of profits in any financial year or years for the remaining period of his tenure, and that the maximum remuneration shall be within the limits prescribed under the provision of revised Schedule V to the Companies Act, 2013 as amended by the Ministry of the Corporate Affairs vide a notification bearing number S.O.2922 (E) dated 12th September, 2016.

RESOLVED FURTHER THAT save and except as aforesaid, the Resolution approved and passed by the Members in the said AGM with respect to the appointment of Mr. Priyavrat Mandhana, as Executive Director, shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Priyavrat Mandhana as Executive Director within the overall limits under the Act and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid resolution."

By Order of the Board of Directors
for **The Mandhana Retail Ventures Limited**
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Registered Office:
Plot No. E-132, M.I.D.C., Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place: Mumbai
Date: 28th May, 2018

NOTES:

1. The relevant Explanatory Statement pursuant to section 102 of the Companies Act, 2013 ('Act') in respect of the business under Item Nos. 3 to 8 of the Notice, is annexed hereto. The relevant details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations'), of person/s seeking appointment/re-appointment as Director/s forms part of this notice.

2. A Member entitled to attend and vote at the Annual General Meeting ('AGM') is entitled to appoint a proxy to attend and vote instead of himself/herself/itself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total paid-up share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total paid-up share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 19th August 2018 to Saturday, 25th August, 2018, both days inclusive, ('Book Closure period') for the purpose of holding Annual General Meeting.

5. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

6. Mr. Priyavrat P. Mandhana, Executive Director is liable to retire by rotation. He being eligible, offers himself for re-appointment. Brief profile of Mr. Priyavrat P. Mandhana, who retires by rotation at this Annual General Meeting, as required under Secretarial Standard on General Meeting ('SS-2') and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is given separately at **Annexure A** hereunder.

   None of the Directors or Key Managerial Personnel or their relatives except Mrs. Sangeeta Mandhana, Mr. Manish B. Mandhana and Mr. Priyavrat P. Mandhana himself, is concerned or interested in the said resolution.

7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service ('NECS'), Electronic Clearing Service ('ECS'), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant ('DP'). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agent ('RTA'), M/s. Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Link Intime India Private Limited.

8. In case of joint holders attending the Meeting, 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.

9. Any Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her/its queries to the Company at least seven working days prior to the Meeting, so that the required information can be made available at the Meeting.

10. Pursuant to the provisions of sections 20(2), 101, 136(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Accounts) Rules, 2014, the Company can send the documents like Notices, Annual Reports, etc. in electronic form to its Members, whose email addresses are registered with the Company / RTA / Depositories. Accordingly, this Notice of the 7th AGM along with the Annual Report for FY 2017-18 is being sent by electronic mode to those shareholders whose email addresses are registered with the Company / RTA / Depositories, unless any Member has specifically requested for a physical copy. For Members who have not registered their email address, the physical copies are being sent by permitted mode of dispatch.

11. We hereby request the Members to note that the documents viz. Annual Report, Notice, etc. will be uploaded on the website of the Company viz. www.mandhanaretail.com and made available for inspection at the Registered Office as well as the Head Office/ Corporate Office (viz. 006-008, Peninsula Center, Dr. S.S. Rao Road, Parel, Mumbai - 400012) of the Company during the business hours. However, in case a Member wishes to receive a physical copy of the said documents, he / she/ it is required to send a letter or an e-mail to rnt.helpdesk@linkintime.co.in or to cs@mandhanaretail.com duly quoting his / her/ its DP ID & Client ID or Folio number, as the case may be, and the said documents will be dispatched to the Members.

12. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members a facility to exercise their right to vote on resolutions proposed to be considered at the 7th AGM by electronic means through e-Voting Services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by Central Depository Services (India) Limited ('CDSL'). In addition, the facility for voting through Ballot Paper shall also be made available at the AGM and the Members attending the

AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

13. Based on the shareholding of the Members, whose names appear in the Register of Members/ List of beneficial owners, received from National Securities Depository Limited ('NSDL') / CDSL as on close of the business hours on Saturday, 18th August, 2018 ('cut-off date'), a member shall be entitled to vote by way of remote voting or at the AGM. However, a person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

14. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.

15. The remote e-voting period commences on Wednesday, 22nd August, 2018 (09:00 am) (IST) and ends on Friday, 24th August, 2018 (05:00 pm) (IST).

16. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 18th August, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

17. The instructions for remote e-voting are as under:

(i) Open your web browser and log on to the e-voting website www.evotingindia.com during the voting period.

(ii) Click on **"Shareholders"** tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next, enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

a) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is provided as follows: a) For Members to whom the notice of the AGM has been sent through e-mail, the sequence number has been provided in the body of the e-mail; b) For Members to whom the Notice of the AGM has been sent physically, the sequence number has been provided on the cover page of the Annual Report 2017-18.
DOB*	Enter the Date of Birth as recorded in your Demat Account or in the Company records for the said Demat Account or folio no. in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio no.

* Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or the Company, please enter the User ID in the Dividend Bank Details field as mentioned in instruction no. (iii).

b) After entering these details appropriately, click on "SUBMIT" tab.

c) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatory enter their login password in the new password field. Kindly note that this password can also be used by the demat account holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

d) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(vii) Click on EVSN of The Mandhana Retail Ventures Limited.

(viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xiii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiv) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile

(xv) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of account(s) linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the account(s) they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney ('POA') which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xvi) In case you have any queries or issues/grievance regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at https://www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. In this regard, you may also write an e-mail to the Company Secretary at cs@mandhanaretail.com.

18. Mr. Nitin R. Joshi, Practicing Company Secretary (Membership No. FCS: 1884) (Address: 415, Marathon Max, Next to Udyog Shetra, Junction of L.B.S. Marg and Goregaon Link Road, Mulund (W), Mumbai 400 080) has been appointed as the Scrutinizer to scrutinize the entire voting process in a fair and transparent manner. Scrutinizer's email address is: n_r_joshi@yahoo.com.

19. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).

20. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of Saturday, 18th August, 2018.

21. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holds shares as of the cut-off date i.e. Satuday,18th August 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or to the Company at cs@mandhanaretail.com. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, then you can reset your password by using 'Forgot User Details/Password' option available on helpdesk.evoting@cdslindia.com or contact CDSL at its toll free no.: 18002005533.

22. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

23. The Chairman shall, at the AGM, at the end of discussion on all the resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the "remote e-voting" facility.

24. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall submit, within 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him or Board of Directors, who shall countersign the same and declare the result of the voting forthwith.

25. The voting results shall be displayed in the prescribed format on the Notice Board of the Company at its Registered Office as well as the Head Office/ Corporate Office. The voting results declared along with the report of the Scrutinizer shall also be placed on the website of the Company, viz. www.mandhanaretail.com and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The voting results shall also be forwarded to the Stock Exchanges on which the shares of the Company are listed i.e. BSE Limited & National Stock Exchange of India Limited.

26. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the company. Blank forms will be supplied on request in writing.

27. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office as well as the Head Office/ Corporate Office of the Company during normal business hours (10:30 a.m. to 02.30 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors
for **The Mandhana Retail Ventures Limited**
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Registered Office:
Plot No. E-132, M.I.D.C., Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place: Mumbai
Date: 28th May, 2018

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 3, 4, and 5:

The Board of Directors of your company has undertaken to improvise the infrastructure and existing processes. Further the Board has also decided to expand the Company's operations more effectively. The Company requires infusion of funds for its plans and for augmenting working capital requirements.

To accommodate the above requirement of funds/ resources, the Board of Directors at their meeting held on 28th May, 2018 proposed to increase the Authorized Share Capital. Your consent is hereby sought under Section 13, 14 and 61 of the Companies Act, 2013 for increasing the share capital from ₹ 30,00,00,000/- (Rupees Thirty Crore Only) divided into 3,00,00,000 (Three Crores) equity shares of ₹ 10/- (Rupees Ten) each to ₹ 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crores) equity shares of ₹ 10/- (Rupees Ten) each.

The alterations proposed in the Memorandum and Articles of Association of the Company are consequential to reflect the increase of the Authorized Share Capital of the Company.

Your Directors recommend the passing of the Resolutions at item Nos. 3, 4 and 5. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions as set out at Item Nos. 3, 4 and 5 of the Notice.

Item No. 6:

The Company has significant growth plans for expanding its presence not only in India but also outside the Country. With a view to garner long term resources for meeting the fund requirements of the Company for capital expenditure, general corporate expenditure, investments as the Company may deem appropriate and for other purposes as permitted under the prevailing guidelines in this regard, the Company is proposing to raise funds by creating, issuing, offering and allotting Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures, Non-Convertible Debentures and such other securities as stated in the resolution (the "Securities") whether denominated in any foreign currency or Indian Rupees, in the course of international and/ or domestic offering(s) in one or more foreign markets/ domestic market, secured or unsecured or any combination thereof, in registered or bearer form, as the case may be, and such issue and allotment may be made in one or more tranches, on such terms and conditions and at such time that the Board may, in its absolute discretion, deem fit and appropriate at the time of such issue or allotment of Securities.

The Special Resolution is an enabling resolution for creating, issuing, offering and allotting Securities at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, Advisors, Underwriters, etc., inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the "SEBI ICDR Regulations") and other applicable laws, rules and regulations.

The Special Resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement ("QIP") to Qualified Institutional Buyers ("QIBs") in the manner prescribed under Chapter VIII of the SEBI ICDR Regulations for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the SEBI ICDR Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined in accordance with Chapter VIII of the SEBI ICDR Regulations. The Relevant date shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Securities or such other time as may be decided by the Board and as permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time.

Section 62(1)(c) of the Companies Act, 2013 and the relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides, *inter-alia*, that when it is proposed to increase the issued capital of a Company by allotment of further shares, such further shares shall be offered to the existing shareholders of such Company in the manner laid down therein, unless the shareholders in a General Meeting decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of shares of the Company to persons other than existing shareholders of the Company, consent of the shareholders is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Special Resolution as set out at Item No. 6, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing members of the Company in the manner as set out in resolution No. 6.

The said resolution is also an enabling resolution conferring authority on the Board to do all acts and deeds, which may be

required to issue/offer Securities of appropriate nature at such appropriate time, including the size, structure, price and timing of the issue(s)/offer(s) at the appropriate time(s). The detailed terms and conditions of the domestic/international offering will be determined in consultation with the lead managers, merchant bankers, global business coordinators, book runners, guarantors, consultants, advisors, underwriters and/or such other intermediaries as may be appointed for the Issue/offer.

Your Directors recommend the passing of the Resolution at item No. 6. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 6 of the Notice.

Item Nos. 7 and 8:

The Members of the Company in the 5th Annual General Meeting held on 7th September, 2016, had approved the appointment (including remuneration) of Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana as the Managing Director and Executive Director of the Company, respectively, for a period of 3 (three) years effective from 1st September, 2016. The said appointment was made under the then prevailing requirements of the Sections 196, 197, 198 and 203 of the Companies Act, 2013 ("Act") read with Schedule V to the Act.

Subsequently, the Ministry of the Corporate Affairs vide a notification bearing number S.O.2922 (E) dated 12th September, 2016, substituted Section II of Part II of Schedule V to Act which specifies the requirements/procedures to be followed for payment of remuneration to Managerial Personnel by Companies, in case of no profit or inadequate profit without obtaining the approval of Central Government.

Since, the terms and condition of the remuneration payable to Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana were approved under the erstwhile provisions of the Act i.e. before the substitution of Schedule V as aforesaid, it is prudent that the same be approved under the prevailing requirements of the Act. The approval of the Members pursuant to Section 197 of the Act read with Schedule V to the Act, as amended, is now sought for the remuneration payable to Mrs. Sangeeta Mandhana, Managing Director and Mr. Priyavrat Mandhana, Executive Director of the Company for the remaining period of their tenure. The details are set out below:

Remuneration proposed to Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana:

I. Remuneration (per Executive Director):

a) Salary:

₹ 8,00,000/- (Rupees Eight Lakh only) per month with such increments as may be decided by the Board of Directors (which includes any committee thereof) from time to time, but subject to the maximum salary of ₹16,00,000/- (Rupees Sixteen Lakh only) per month.

b) Commission:

Payment of commission of such amount for each Corporate Financial Year, as may be decided by the Board of Directors (which includes any committee thereof) in its absolute discretion provided that aggregate commission paid to all the Managing Directors in any Corporate Financial Year shall not exceed 1% of the net profits of the Company as appearing in the Audited Annual Accounts.

c) Perquisites:

(i) Medical Expenses

Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for the Executive Director and his/her family.

(ii) Leave / Holiday Travel Expenses

Reimbursement of Leave/Holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of the Executive Director and their family subject to the conditions that total reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated upto next two year.

(iii) Club Fee

Reimbursement of membership fee upto three clubs in India including admission and life membership fees.

(iv) Personal Accident Insurance

Personal Accident Insurance Policy of such amount as may be decided by the Executive Director, the premium of which shall not exceed ₹ 15,000/- (Rupees Fifteen Thousand only) per annum.

(v) Contribution to Provident Fund, Superannuation and Annuity Fund

Company's contribution to Provident Fund and Superannuation or Annuity Fund not exceeding 30% of salary in aggregate.

(vi) Gratuity

Gratuity at the rate of half month's salary for each completed year of service.

(vii) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

(viii) Electricity Expenses

Expenses pertaining to electricity at the residence of Executive Director will be borne / reimbursed by the Company.

(ix) Other perquisites

Subject to overall ceiling on remuneration mentioned hereinabove, Executive Director may be given any other allowances, benefits and perquisites as the Board of Directors (which includes any committee thereof) may from time to time decide and allowed under the provisions of the law.

d) Amenities:

(i) Conveyance facilities

Company shall provide suitable conveyance facilities as may be required by Executive Director.

(ii) Communication facilities

Company shall provide telephone, telefax and other communication facilities at the residence of Executive Director.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

II. Minimum Remuneration:

In the event of loss or inadequacy of profits in any corporate financial year during the currency of tenure of service of the Executive Director, the aforesaid remuneration shall be paid as a minimum remuneration as provided under Section 197 and all other applicable provisions, if any, of the Companies Act, 2013.

In accordance with the Schedule V and other applicable provisions of the Companies Act, 2013, on the recommendation made by the Nomination and Remuneration Committee of the Company at its meeting held on 28th May, 2018, the Board of Directors of the Company at its meeting held on even date has approved the payment of remuneration as detailed above, subject to such other approvals as may be necessary, as minimum remuneration to Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana in the absence or inadequacy of profits in any Financial Year(s) during the currency of their remaining tenure.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolutions at Item Nos. 7 and 8 is annexed hereto as **Annexure A.**

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana themselves, Mr. Manish Mandhana and Mr. Sachin Jaju, is in any way concerned or interested, financially or otherwise, in the said Resolutions.

The Board of Directors recommends the Special Resolutions set out at Item Nos. 7 and 8 of the Notice for approval by the Members.

By Order of the Board of Directors
for **The Mandhana Retail Ventures Limited**
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Registered Office:
Plot No. E-132, M.I.D.C., Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place: Mumbai
Date: 28th May, 2018

ANNEXURE A

The Statement Containing Additional Information As Required In Schedule V Of The Companies Act, 2013:

I. General Information:

1. Nature of Industry: Retailing of Apparels and Accessories.

2. Date or expected date of commencement of commercial production: The Company is not a manufacturing Company and hence this clause is not applicable to the Company.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial performance based on given indicators:

(₹ in Lakh)

Particulars	**Year ended 31st March, 2018**	Year ended 31st March, 2017
Income from Operations and other Income	26,073.71	26,136.18
Operating Profit (before interest, depreciation and tax)	2,095.74	2,862.26
Profit/(Loss) before Tax	1,551.14	2,282.14
Profit/(Loss) after Tax (inclusive of other Comprehensive Income)	913.10	1407.25

(Note: Figures have been regrouped/recast wherever necessary)

5. Foreign investments or collaborations, if any: The Company has no foreign collaborators and hence there is no equity participation by foreign collaborators in the Company.

II. Information about the appointee:

Particulars	Mrs. Sangeeta Mandhana	Mr. Priyavrat Mandhana
Age	48 years	29 years
Qualifications	B.com. She has also done International Montessori course from London Montessori Centre, Calcutta.	B.com, Masters in Innovation and Entrepreneurship
Experience/ Resume/Background details/ Expertise/Recognition/ Reward	The aptitude of Mrs. Mandhana for designing apparels and outfits has turned into her expertise which is benefitting the Company in big way. Mrs. Sangeeta Mandhana is also accomplished teacher in Meditation techniques.	Mr. Priyavrat P. Mandhana possesses more than 6 years of experience in the Textile & Retail Industry and plays a vital role in strategizing and monitoring retail business of the Company.
Terms and conditions of re-appointment	To perform the duties of directors in accordance with the provisions of the Companies Act, 2013 and such other statues, rules and regulations as may be applicable to the Company.	To perform the duties of directors in accordance with the provisions of the Companies Act, 2013 and such other statues, rules and regulations as may be applicable to the Company
Remuneration to be paid to the Director in FY 2018-19	₹ 1,00,14,720/-	₹ 1,00,14,720/-
Remuneration last drawn by the Director in FY 2017-18	₹ 87,08,138/-	₹ 87,08,138/-
Comparative remuneration policy with respect to industry, size of the Company, profile of the position and person	The remuneration as proposed to Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group.	
Date of first appointment on the Board	5th August, 2016	5th August, 2016
Shareholding	79,820	11,19,894
Pecuniary relationship directly or indirectly with the Company or relationship with the Director, Manager and Managerial Personnel, if any	Besides the remuneration proposed, Mrs. Sangeeta Mandhana does not have any pecuniary relationship with the Company. Mrs. Mandhana belongs to the Promoter Group of the Company. She is spouse of Mr. Manish Mandhana and cousin sister in law of Mr. Priyavrat Mandhana and Mr. Sachin Jaju.	Besides the remuneration proposed, Mr. Priyavrat Mandhana does not have any pecuniary relationship with the Company. Mr. Priyavrat Mandhana is one of the Promoter of the Company. He is a cousin brother of Mr. Sachin Jaju and Mr. Manish Mandhana and cousin Brother in law of Mrs. Sangeeta Mandhana.
Number of Board meetings attended during the financial year (2017-18)	4	5
Directorships, Membership/ Chairmanship of Committees in other Companies* *Membership/Chairmanship of Audit and Stakeholders Relationship Committee only is provided	None.	He is Director in the following other Companies: Mandhana-WD Limited and Breakbounce India Private Limited
Justification/Job profile and suitability	The Company believes that the knowledge and experience of Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana will be of immense benefit to the Company.	

III. Other information:

1. Reasons of loss or inadequacy of profits:

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Act read with Schedule V to the Act and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as an emerging powerful brands and increasing Pan- India and international distribution network are also expected to enable the Company to position itself during adversities. The Company has also strategically planned to increase the profits and has put in place measures to reduce cost and improve the bottom-line.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to establish itself as a leadership brand, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. Disclosures

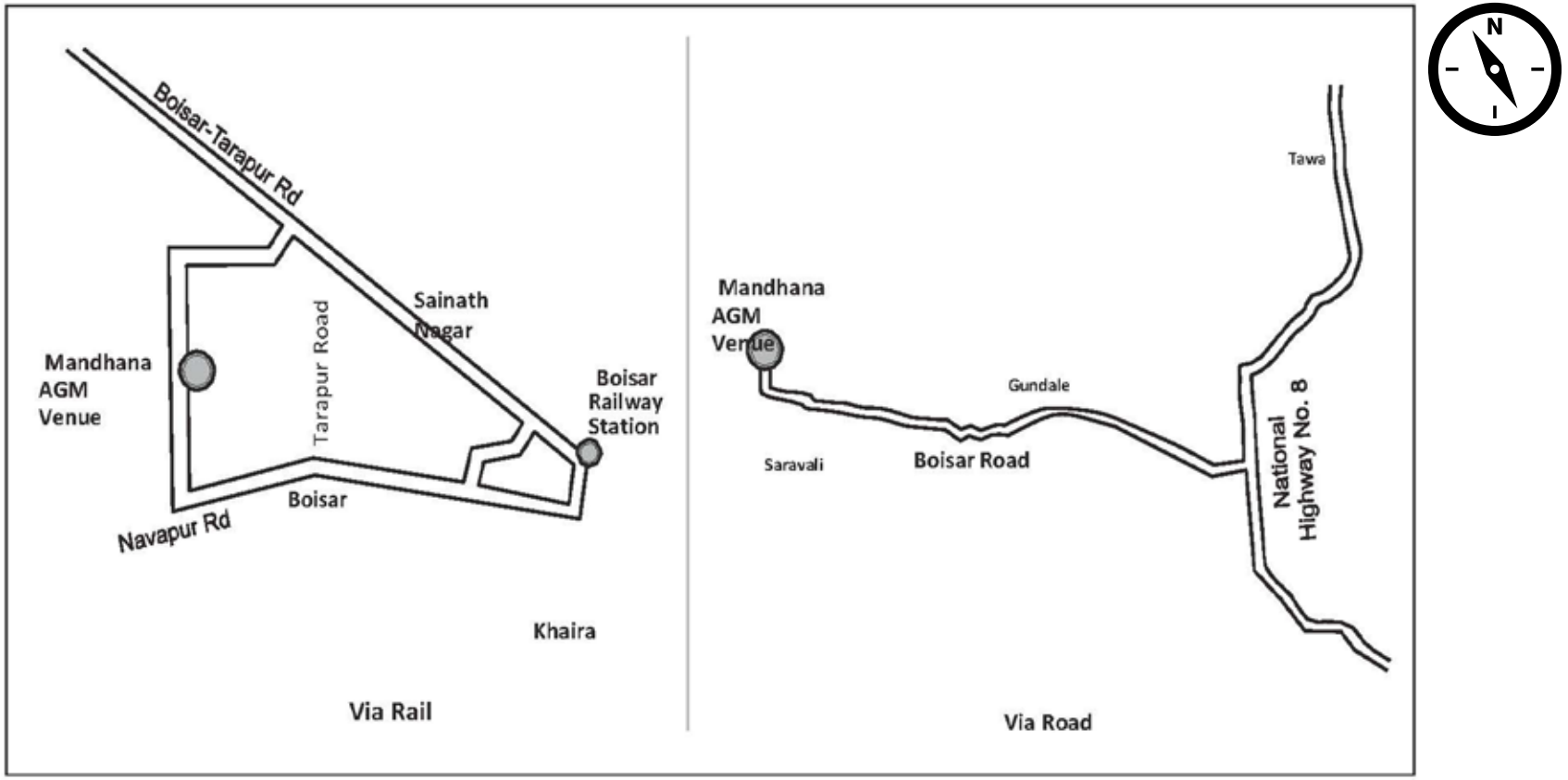
1. Remuneration package of the managerial person:

Fully described in the explanatory statement as stated above.

2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2017-18:

The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report.

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING



MRVL
MANDHANA RETAIL VENTURES LTD.

The Mandhana Retail Ventures Limited

(formerly known as Mandhana Retail Ventures Limited)

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Palghar- 401506
Corporate Office: 006-008, Peninsula Center, Dr. S.S. Rao Road, Parel, Mumbai – 400012
Tel: 91-22-4353 9126 • **Fax:** +91 22 4353 9358 • **E-mail:** cs@mandhanaretail.com
Website: www.mandhanaretail.com

ATTENDANCE SLIP

I/We, hereby record my/our presence at the 7th ANNUAL GENERAL MEETING of the Company on Saturday, 25th August, 2018 at 12 Noon at Plot No. C-2, M.I.D.C., Tarapur Industrial Area, Boisar, Palghar – 401506.

Registered Folio No./ DP ID & Client ID*	
No. of Shares held	
Name and address of the Member	
Joint Holder 1	
Joint Holder 2	

*DP ID & Client ID is applicable for Members holding shares in electronic form.

If Member, please sign here	If proxy, please mention name and sign here	
	Name of Proxy	Signature

Note:

Shareholder/Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the AGM venue.

MRVL
MANDHANA RETAIL VENTURES LTD.

The Mandhana Retail Ventures Limited

(formerly known as Mandhana Retail Ventures Limited)

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Palghar- 401506
Corporate Office: 006-008, Peninsula Center, Dr. S.S. Rao Road, Parel, Mumbai – 400012
Tel: 91-22-4353 9126 • **Fax:** +91 22 4353 9358 • **E-mail:** cs@mandhanaretail.com
Website: www.mandhanaretail.com

Form No. MGT -11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered address	
E-mail Id	
Folio No./ DP ID & Client ID	

I/We, being the holder(s) of …….. Shares of the above named Company, hereby appoint:

1.	Name:	Email ID:
	Address:	Signature:

or failing him/her

2.	Name:	Email ID:
	Address:	Signature:

or failing him/her

3.	Name:	Email ID:
	Address:	Signature:

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **7th Annual General Meeting** of the Company, to be held on Saturday, the 25th day of August, 2018 at 12 Noon at Plot No. C-2, M.I.D.C., Tarapur Industrial Area, Boisar, Palghar - 401506 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	Optional*	
Ordinary Business		**For**	**Against**
1.	Ordinary resolution for adoption of the Audited Financial Statements for the financial year ended 31st March, 2018		
2.	Ordinary resolution for appointment of a Director in place of Mr. Priyavrat P. Mandhana, (DIN: 02446722) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment		
Special Business			
3.	Ordinary resolution for Increasing the Authorised Share Capital of the Company		
4.	Ordinary Resolution for Alteration in Clause V(a) of Memorandum of Association		
5.	Special Resolution for Alteration in Clause 3 of Articles of Association		
6.	Special Resolution for Issue of Securities for an aggregate amount not exceeding ₹ 50 Crore		
7.	Special Resolution for approving the revision in terms and conditions of remuneration payable to Mrs. Sangeeta Mandhana in alignment with the amended provisions of the Schedule V to the Companies Act, 2013		
8.	Special Resolution for approving the revision in terms and conditions of remuneration payable to Mr. Priyavrat Mandhana in alignment with the amended provisions of the Schedule V to the Companies Act, 2013		

*It is optional to put a (√) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ..... day of ....., 2018.

Affix ₹ 1 Revenue Stamp

Signature of Member (s) .....

Signature of Proxy holder (s) .....

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, **not less than 48 hours before the commencement of the Meeting**.
2. A proxy need not be member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the Proxy Form.
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

MRVL
MANDHANA RETAIL VENTURES LTD.



BEING FUTURISTIC. BEING TMRVL.

Being human
CLOTHING

ANNUAL REPORT 2017-18

Highlights of the Year

₹259.40 crores
Net Sales

₹20.95 crores
EBITDA

₹236.50 crores
Market Capitalisation

₹9.13 crores
PAT

₹4.10
Earnings per Share



Find Inside

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BEING FUTURISTIC. BEING TMRVL.

Fashion is an attitude with a perspective.

At The Mandhana Retail Ventures Limited (TMRVL), we are democratising fashion, making it accessible across social and economic boundaries, while contributing to the society's well-being. We also have a vision to scale up innovation, expand categories and streamline operations to deliver value for our stakeholders. We are achieving this by reach deeper into India and enabling, empowering and inspiring people through fashion that helps them 'look good and do good'.

In the changing retail landscape due to dynamic shifts in consumer behaviour, TMRVL is geared to develop wearables that make business sense, are consumer-focused and contribute meaningfully to societal welfare. We are redefining brand engagement through a unique approach that focuses on social issues and gets customers involved in changing our society for the better. We are a brand with a soul and our consumers are the extensions of our label's narrative.

In its essence, TMRVL is dynamic, futuristic, customer-centric and charitable. We are expanding our social outreach and creating products that are eco-friendly and sustainable. Our organic growth into a company that competes on its own terms focuses on delivering goodness through a well-crafted business strategy.

About TMRVL

TMRVL AT A GLANCE.

At The Mandhana Retail Ventures Limited (TMRVL), it has been our endeavour to offer the best in fashion to our customers. We are on a journey to create a global brand that uses sustainable textiles and offers unique and trendsetting designs.

Over the years, we have grown to provide the best shopping experience to consumers through an expansive retail presence across geographies. Our brand 'Being Human' and our association with the 'Being Human – The Salman Khan Foundation' champions a differentiated proposition of 'fashion with a cause'.



OUR BRAND – BEING HUMAN

Being Human is dear to millions of customers, with Bollywood celebrity Salman Khan as its effervescent brand ambassador. Our brand is a perfect blend of fashion and ethos, an extension of the charitable trust 'Being Human – the Salman Khan Foundation'. The Foundation is committed to providing a better life to the underprivileged and the proceeds from its sales carry forward this mission.

The brand focuses on customer convenience through leveraging digital platforms. We witnessed a spike in sales through e-commerce tie-ups with Myntra, Abof, and Jabong. Our partnerships with widespread retail chains such as Lifestyle, Shoppers Stop, Splash, Jade Blue, All That Jazz, My Store and Wardrobe, are strengthening our brand prominence.

Investment Case

WHY INVEST IN TMRVL?

A DISTINGUISHED BRAND

Being Human delivers top quality and trendy designs at various price points to cater to a large section of customers. Our association the Bollywood superstar Salman Khan is a major pull.

57.29%

Gross Profit Margin

VAST NETWORK

Our ever-expanding network of retail chains in the domestic as well as international markets gives us flexibility to meet demands from across nations and helps improve our distribution mix.

600+

POS

STRONG BALANCE SHEET

We have a strong balance sheet with NIL debt to equity ratio. Our operational efficiency and short-term fund-raising practices helps reduce cost.

Negligible debt

SOCIAL RESPONSIBILITIES

Rightly called 'a clothing line with a heart', Being Human is known for its charitable contributions for the social cause of education and health of the underprivileged.

5.75%

Royalty is paid to the Being Human Foundation

GROWTH PLANS

We aim to grow stronger by increasing the number of retail points. We also have plans to introduce a new brand in FY 2018, which will be a boost to our growth meters.

Expanding in Tier II and Tier III Cities

STRONG CONNECT

We are optimistic of our licence renewal with Being Human Foundation even beyond 2020. We are focused on strengthening our relationship with our existing as well as new partners, retailers, distributors and customers.

900,000

Loyal customers

Key Non-Financial Highlights

OUR COMPETITIVE STRENGTH.



INTERNATIONAL STORES

Number of stores outside India

2018 **167** 2017 **167**

DOMESTIC STORES

Number of stores in India

2018 **443** 2017 **418**

NO. OF EMPLOYEES

Our people strength

2018 **656** 2017 **606**

DISTRIBUTION PARTNERS

Number of partners assisting in distribution of our products

2018 **7** 2017 **10**

E-COMMERCE PARTNERS

Number of partners in the e-commerce platform

2018 **3** 2017 **4**



RETAIL SELLING POINTS

Number of stores where our products are sold (online and offline)

2018 **610** 2017 **585**

EXCLUSIVE BUSINESS OUTLETS (EBOs)

EBOs of the Being Human brand

2018 **34** 2017 **29**

STORE-IN-STORE (SIS)

SIS wherein clothing of Being Human brand is housed along with other brands

2018 **372** 2017 **351**

FRANCHISEES

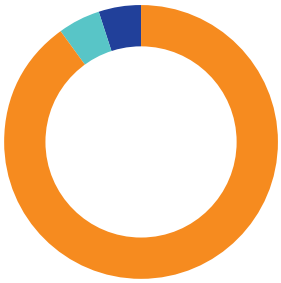
Number of licences given to third parties to sell our products under our brand name

2018 **27** 2017 **24**

Product Categories

WHAT WE OFFER.

Our one-stop-shop concept offers a varied range of products under the menswear, womenswear and accessories categories.



Revenue (%)

Menswear	90
Womenswear	5
Accessories	5

CATEGORY-WISE BUSINESS AND PRODUCT DIVISION



Business Division Category-wise (%)

Menswear	85
Womenswear	15







Menswear Category-wise Division (%)

T-Shirt / Polo	50	Sweaters	2
Shirts	20	Hoodies	3
Denim	12	Jackets	3
Non-denim	7	Innerwear	0.5
Tracks	3		



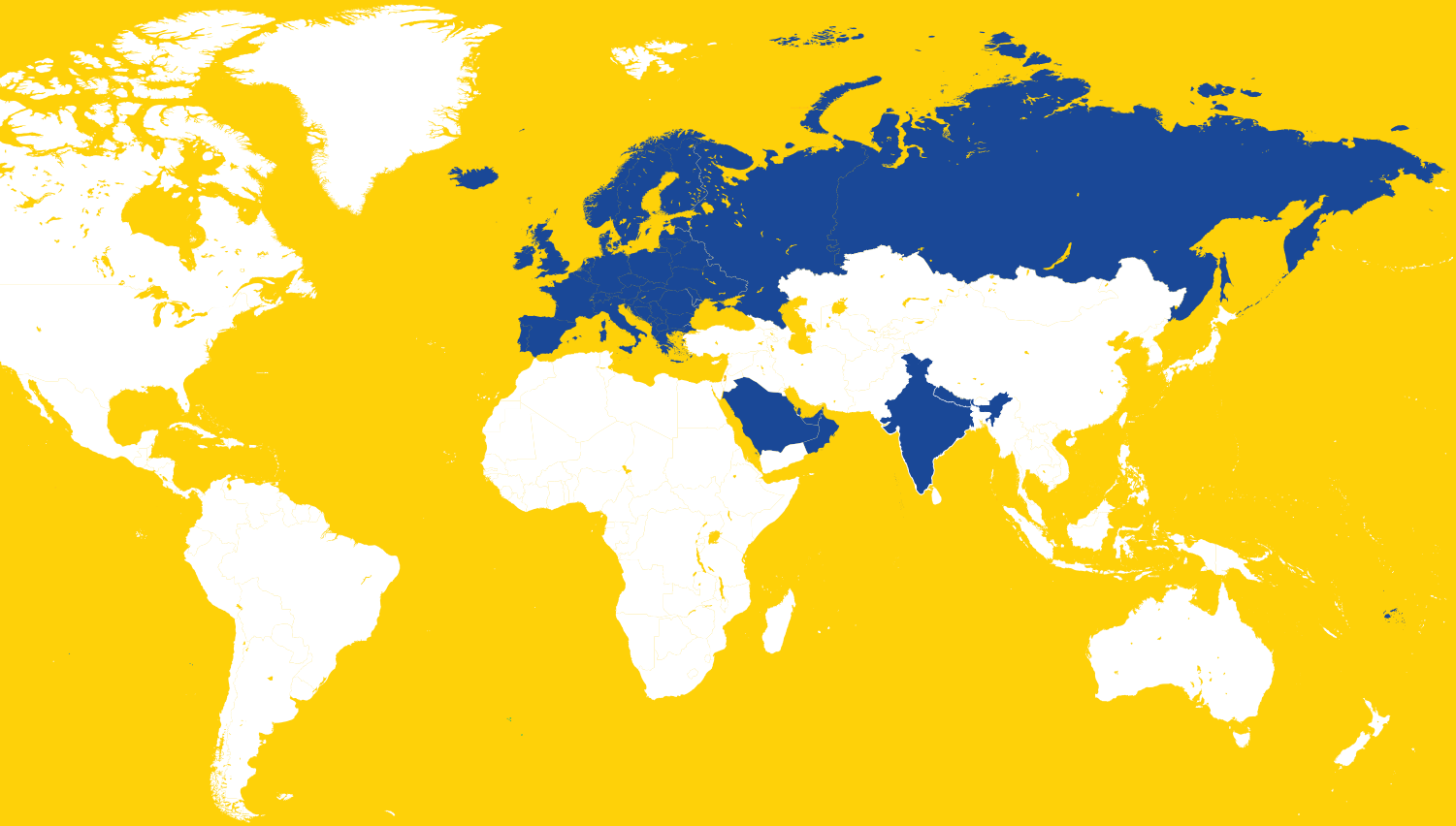
Womenswear Category-wise Division (%)

T-Shirt / Polo / Shrugs / Tops	40
Blouse	20
Dress	15
Denim	7
Trackpants / Shorts / Pyjamas	12
Sweaters / Sweatshirts	6

Market Presence

OUR GLOBAL FOOTPRINT.

We have a strong global network with 610 points of sales (POS) in 15 countries and strong digital presence with e-commerce in 3 markets. We are eyeing tie-ups with international retail giants in the US and South-East Asia to boost exports.



OUTLETS

443 India

125 GCC

5 Fiji

1 Mauritius

35 Europe

3 Nepal

Note: Map not to scale

Chairman's Message

CHAIRMAN'S MESSAGE

Last year when I wrote to you, I was optimistic that our economy will grow at 7%+ in FY18 though I had not ruled out some headwinds. As it turned out the economy couldn't gather steam as expected due to residual effects of demonetisation and some problems in GST implementation.

The Gross Domestic Product (GDP) growth rate was lower at 6.7% and that impacted your Company's business. At micro industry level, the competition was intense with 'market share at any cost' strategies employed by global entrants in the market. The combative market participants advanced the end of season sale dates and the duration of such sales also increased. This meant larger proportion of volumes were sold at discounted prices. Despite competitive intensity, the Company volumes grew by 11% in domestic market and by 15% in exports. This represents domestic market growth rate at 1.65 times the GDP growth rate (6.7%) and 1.2 times the rate forecast (9%) for the apparel industry by experts. And this signals steadily increasing market penetration for the Company brand which is good news indeed.

Higher discounts affected the revenue growth with a marginal reduction of 0.05% in revenue over last year. Company revenues for the year stood at ₹259.44 crores. The Company management had to contend with supply chain problems; inadequate working capital took its toll delaying the new season supplies to the stores. Needless to say the Company missed selling opportunities during some crucial days of the season. The pressure on net realisations due to higher discounts was exacerbated by some significant increase in employee costs. The Company has suffered significant drop in EBITDA margins this year under review. Your board and the management is working to rectify structural issues within the organisation as well as with working capital finances.

THE MARKET AND THE CONSUMER

By all accounts, the long-term trends in the Indian apparel market continue to be positive. The market is expected to grow between 9-10% on CAGR basis to year 2020. Increase in personal incomes, higher aspirational levels in Tier II, III and IV towns and all round growth in consumerism will continue to drive the growth in apparel market. However, the segments within display differential growth rates. The product segments where your Company always had significant offerings namely denim wear and T-shirts for men continue to be high growth market segments expected to continue to grow at 14%. Active wear market has emerged as a high potential category due to the boom in fitness and healthcare related consumption. Your Company is well placed in this segment due to its association with Mr. Salman Khan who is universally followed for his fitness and sculpted physique. While these are broad trends, the market is given to rapidly changing styles and preferences. Your management has evolved a market sensing system that will keep the Company product portfolio in sync with changes and capitalise on them.

LAUNCH OF 'CORE LINE'

Your Company during the year has formulated the 'Core Line' design concept. 'Core Line' has a simple design elements that can be assembled into basic products that can be offered year round at multiple price points. This will enable moderation in discounting and result in better inventory turnarounds. Your management expects the 'Core Line' to account for 1/4th of Company volumes in near future. 'Core Line' will be launched within next 45 days.



The Company volumes grew by 11% in domestic market and by 15% in exports.

GOING DIGITAL

By all accounts e-commerce is going to be very influential channel for retail. According to Boston Consulting Group (BCG), a consultancy, fashion is the first category that most Indians (28%) buy online; mobile phones follow at 20%. This message is not lost on your management. BCG study shows that 50% of those who buy fashion online are from Tier II and smaller cities, a geography that is of strategic importance to Company products. Nearly 2/3rd of online buyers are below the age of 35 according to BCG and that is precisely the Company's current target segment. Your Company therefore has been expanding its online retail by tying up with online retailers like Cloud Tail and Jabong. Company is readying a new line of apparels that will be exclusively sold online. At opportune time in future the Company may launch its own platform for online sales. I assure you that there are many such exciting ideas on the drawing board.

LICENCE AGREEMENT

The licence arrangement with Being Human Foundation is the core asset of the Company. The Company management in active collaboration with the Foundation Trustees has nurtured this brand assiduously. I, on behalf of the board, acknowledge inspired contribution made by Mrs. Alvira Agnihotri, the head of the Foundation, towards building the brand and the market for 'Being Human' clothing line. Licence fees that the Company pays has been one of the sources for the Foundation to carry out its singularly philanthropic work in the area of education and health. The licence agreement will be renewed well before its current term that lasts up to March 2020.

THE TEAM

Dynamic young team is one of the core strengths of your Company. The team is focused and has a great eye for aesthetics and detail. Some of you who have visited Company outlets must have noticed the distinct look and feel of its décor. The earthy and intimate look and feel is the design work of young Karan Berry and his in-house team. The team is working on new scheme that is economical, adjusts to smaller spaces without losing customer intimacy and appeal.

The latest quarterly numbers show GDP growth at 7.7%, so far the highest in last 4 years.

I must also mention here that Mr. Hemant Gupta has recently joined as the Chief Financial Officer and Chief Operating Officer. Young Hemant brings with him a decade and more of experience with branded retail with companies such as Blackberry and Carrefour. He will bring intensity of youth and sharpness of experience to husband the operations that are getting larger and complex by the day. I welcome him and look forward to a robust and rewarding association.

YEAR AHEAD

There is good news on the national economy. The latest quarterly numbers show GDP growth at 7.7%, so far the highest in last 4 years. This will lead to higher personal incomes and private consumption. The Government has promised remunerative minimum support prices to farmers. These flows will course through the economy creating solid demand for apparels. Your management has lined up new products and new product lines I mentioned earlier. The management team is working vigorously to make up the gaps in working capital that affected deliveries last year. This together with selective and well calibrated expansion of geographic footprint in Tier II and smaller cities, the Company hopes to achieve robust growth in volumes and retrieve the lost ground in revenue and margins. The management is also regrouping initiatives in export markets. The increasing current account deficit is a boon in a way since resulting depreciation of Indian rupee will help boost exports. All in all, we look forward to a good year.

I take this opportunity to thank all stakeholders including the Being Human Foundation and marquee investors who have continued to repose confidence in your Company.

PRADIP DUBHASHI

Business Model

OUR BUSINESS MODEL



Devising detailed business strategies to ensure sustainability of business amidst rapidly changing trends, omnichannel buying habits and e-commerce discounting.

Our brand Being Human has a reputation for 'doing good while helping our customers look good'. We work in a calibrated framework to sustain our asset-light business and have plans to move from the current sale-or-return model to an outright sales business to mitigate risk. We craft inimitable designs and strengthen the label with our highly talented global team of over 100 employees across various functions like design, sourcing, marketing, merchandise planning and inventory management.

HOW WE OPERATE?

At TMRVL, we structure our activities based on functions, products, regions and channels.

DESIGN

We believe in offering relevant solutions for our consumers' evolving preferences. We enjoy a competitive advantage due to our strong in-house design team headed by designers based out of Europe and India. Our design function analyses customer insights and endeavours to make exclusive and comfortable designs. Mood boards and colour cards are developed in line with the trending seasons. Designs are then passed on to the production team for development of tech files, after necessary approvals on artwork.

DEVELOPMENT

Our product development team strives to achieve efficiency in developing new products and improving the existing bouquet. Profitable methods are engineered for effective development of products. Two stages are involved in the development phase – prototype development and salesman samples (SMS). In the first stage, the products are selected based on lab dip samples and proto appearance. The final samples are presented in buyer meetings in the SMS stage. To ensure a smooth proto development process, we outsource the production to our large network of trusted vendors.

OPERATIONS

Our operations team focuses on producing the highest quality output through cost-efficient processes. We integrate all the processes through well-considered planning, production and management. We maintain stringent timelines to ensure smooth production through prudent inventory planning. To mitigate risks associated with the process, the fabrics and garments produced undergo various lab tests. After diligent inspections, the final tech files are shared with our distinguished vendors.

MARKETING

Our comprehensive product portfolio has helped us penetrate even the global markets. Our presence across both premium and value segments makes our brand more popular among customers. We operate on omnichannel retail platforms which enables us to cater to a large number of customers. Our distribution arrangements with the leading e-commerce platforms in India has led to an elevated consumer experience.



HOW WE CREATE VALUE?

FOR OUR

CUSTOMERS

We continually redefine our methods to develop distinct output. Our target is to deliver unique fashion through upgradation and innovation.

SHAREHOLDERS

As we listed ourselves on the stock exchange in 2016-17, we want to maximise our shareholder value by generating higher revenues and delivering maximum returns.

PEOPLE

Our main strength is our people and we do everything that keeps them driven and encouraged. We have varied opportunities for our people globally.

COMMUNITY

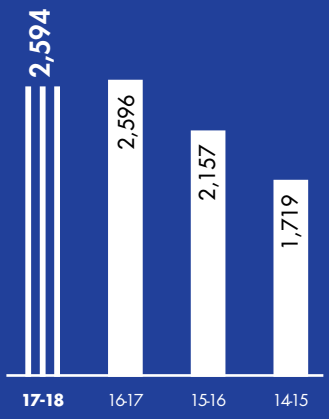
Doing welfare for the community drives us.

We are inspired to merge our values and business to carry out a social cause for the disadvantaged.

DESIGN	DEVELOPMENT	OPERATIONS	MARKETING
Function			
Market Survey, Design and Creative Media	Product Development and Sourcing, Supply Chain, Merchandising and Planning	Market Survey, Design and Creative Media	Marketing, Digital and Customer Insight
Resources			
People, Operations, Information Technology, Finance, Corporate Affairs			
Product			
Menswear, Womenswear, Accessories			
Region			
India, Nepal, South-East Asia, Mauritius, France			
Channel			
Retail (online and offline)			

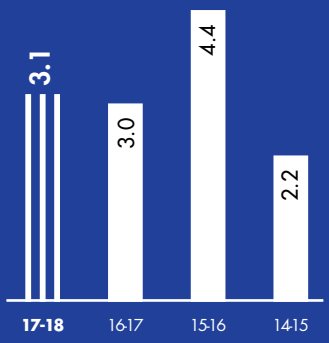
Key Performance Indicators

FOCUS ON LONG-TERM AND PROFITABLE GROWTH



Revenue (₹ in million)

Gross income received from the sale of our products.



Advertisement cost (%)

Expenses incurred in promoting our brand and services. (As a % of revenue)

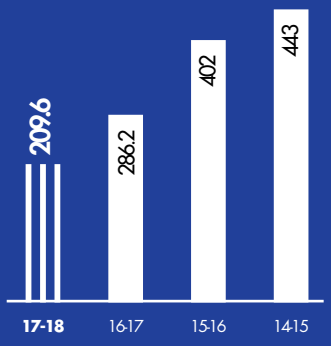
Footnote:

Kindly note that 2014-15 and 2015-16 are IGAAP figures whereas 2016-17 and 2017-18 is as per IND AS

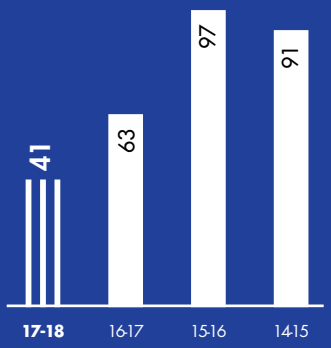


Our management is focused on long-term value creation for stakeholders. These critical indicators help understand and measure our financial health.

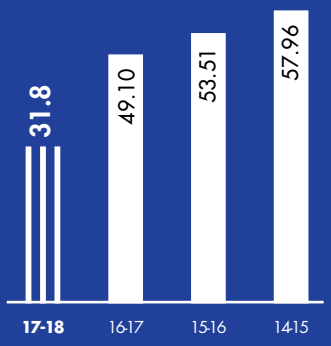




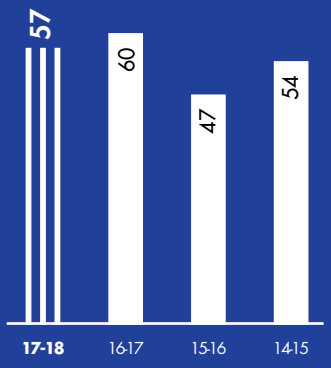
EBITDA (₹ in million)
Earnings before interest, tax, depreciation and amortisation is a measure to evaluate our operating performance.



ROE (%)



ROCE (%)



Gross Margin (%)

Value Retail



BEING VALUE-DRIVEN

Being a highly regarded brand among the youth and value-specific buying gaining a strong foothold, we intend to cater to customers with fast fashion at reasonable prices. TMRVL is dedicated to devising business strategies that will enable us to achieve our high growth aspirations through re-inventing the value retail space.

15%-20%

Reduction in product pricing to cater to value-for-money customers







Value retail formats hold a promise to the consumers that they will get value for every penny they spend. Despite the differentiated value curve, value retailing doesn't compromise on the stores' ambience and the quality customer service.

CREATING VALUE RETAIL

With the changing global value retail paradigm, there is a noticeable shift in consumer preferences, where they are demanding quality products at inexpensive pricing. Keeping up with competitive pricing has made way for a new trend called value retailing.

Our mission is to enter value retail and reach masses through the organised channels. Our homegrown brands are well-connected to the youth in terms of product lines and developing different labels at reasonable price points will expand our customer base. We also plan to penetrate deeper into Tier II and III cities to cater to value-focused customers. Moreover, given the unique social aspect of the brand, more consumers will get a chance to contribute towards society as our Being Human clothing and accessories will be available across various price points.

Being a pull brand, Being Human will continue to maintain its niche market and will ensure there is no brand dilution. We are implementing cost-effective strategies and have significantly cut down costs in the new store design development. Meanwhile, we have ensured the ethos of the brand is not affected and the brand image is maintained. Our business plans are aligned to sustain competitive advantage in the marketplace and win the loyalty of customers.

Marketing and Branding





BEING INNOVATIVE



Within five years, Being Human has become a global brand with ~20% of business comprising exports. We aim to take this expansion forward, growing beyond national boundaries by adopting strategies that will enable us to widen our reach.

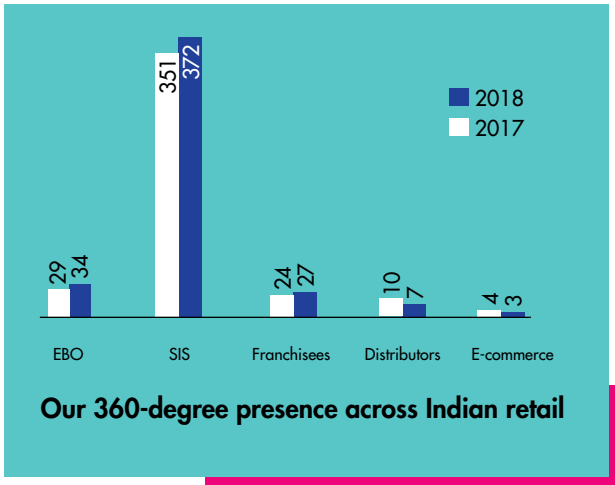


In the domestic market too, we are excelling by adopting innovative approaches. Our differentiated branding strategy comprises advertising in print media, electronic channels and endorsement by famous Indian personalities who also participate in our fashion shows. Higher 'same-store growth' is another strategy we have backed to increase our brand recall. Our target is to maximise the sales growth of our existing stores by 10% through fortifying our marketing efforts. Salman Khan being the face of Being Human and his endorsements make an unparalleled positive impact on our sales. On his birthday, our single-day sales jumped to ₹14.40 crores.



EXPERIENTIAL RETAIL FORMATS

Our retail formats are spread over an expansive 70,000+ sq. ft. with 134 outlets globally, we have created strong brand prominence. We love to delight our customers and it reflects in our store-designs as each store in a city is given the region's essence and feel. Further, we conduct periodic customer engagement programmes to build a better connect. While being customer-oriented, we ensure there is no impairment caused to the environment, which is why our stores are built on the themes of recycle, reuse and reinvent.



Our 360-degree presence across Indian retail

25
New stores opened in 2017-18





Category-wise sales in 2017-18

SMARTLY INTEGRATED TECHNOLOGY

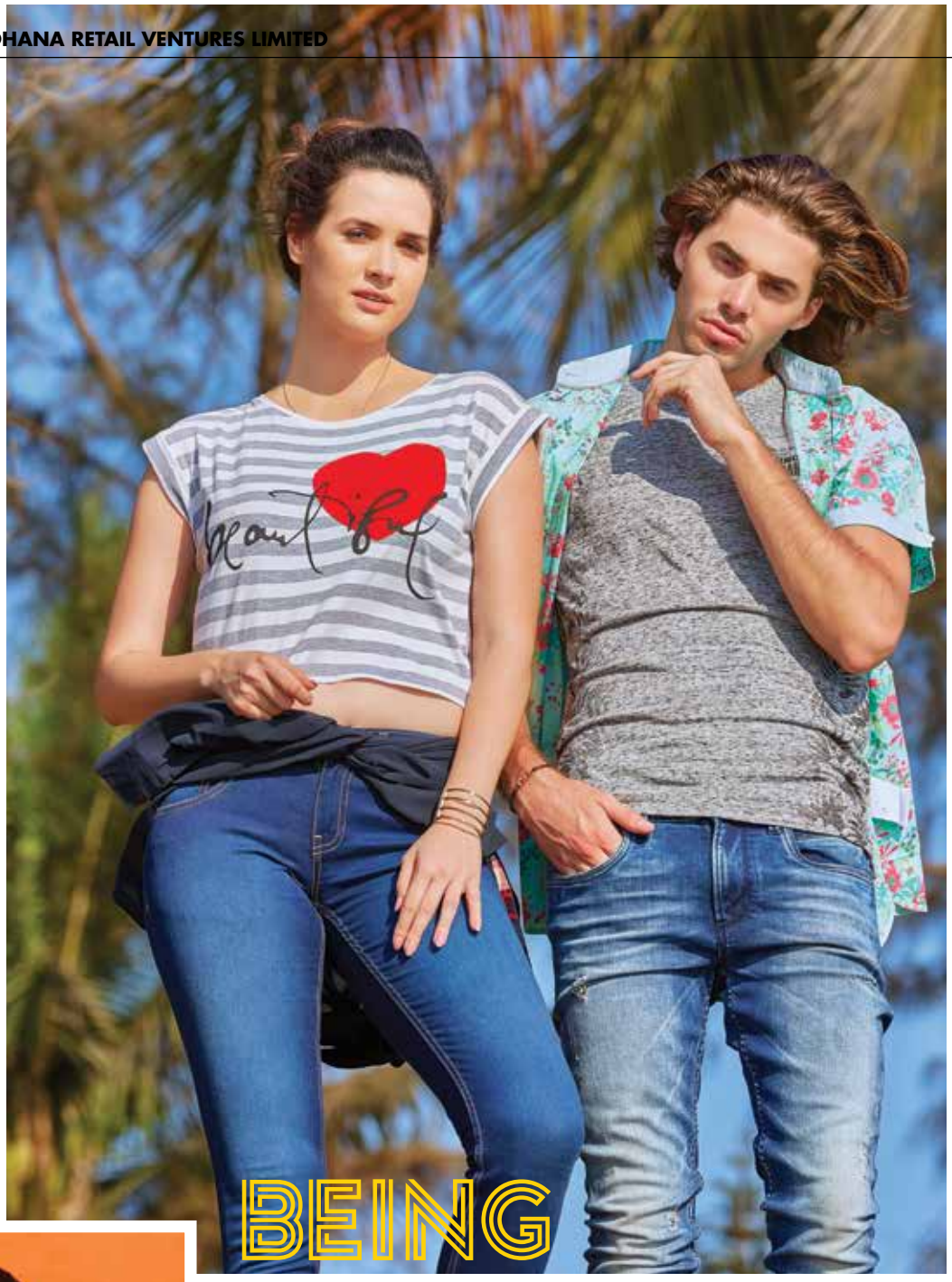
Considering the enormous benefit of integrating Information Technology (IT) into our existing operations, we are making smart use of technology to capture customer preferences and enhance the shopping experience. Our e-commerce presence has gone up significantly through platforms like Jabong and Myntra. To engage with our target groups, our IT team created a unique concept called Shopsense through which customers can browse our collection, match and create looks, and share with friends for feedback through e-mail or WhatsApp using a large touch screen before making a purchase decision. It provides a combined online and offline experience to the customer within the store itself.

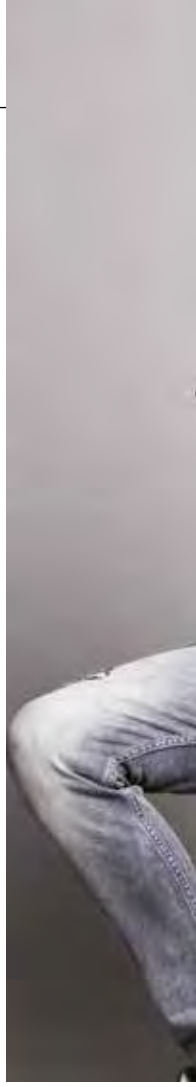




GROWTH STRATEGIES

- 12 new domestic outlets planned for FY 2018-19
- Target same-store growth of 10% for greater profits
- Strengthen sales partnerships with existing franchisees
- Introduce new POS to cater to larger base
- Expand e-commerce footprint
- Focus on the underpenetrated markets for distribution
- Open new revenue lines





BEING CUSTOMER-CENTRIC



Happy customers mean everything to us. TMRVL has a strong and growing loyal customer base of ~9lakh people. The brand enjoys a high recall among its target audience, which is primarily in the age group of 18 to 40 years. We aim to provide varied options at the right price points to attract customers, while our lucrative loyalty programmes are devised to retain their interest in our brand. The '100% Share' is our loyalty programme in which customers earn 'Goodness points', along with noteworthy returns for shopping at a Being Human store.





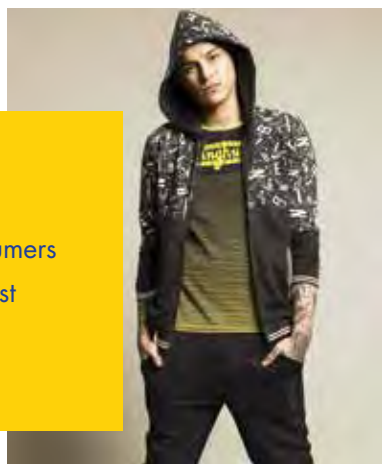
900,000
Members in the current loyalty programme

UNIQUE DESIGNS FOR EVERY CUSTOMER PREFERENCE

- Launching the latest and trendy designs before each fashion season
- Regularly following international fashion updates to create international trends
- Developing innovative marketing strategies to attract new audiences
- Launching of 'Core Line' containing evergreen pieces

CREATING VALUE FOR EVERY CUSTOMER NEED

- Catering to a wide segment of consumers
- Introducing reduced pricing by almost 15%-20% for multiple products
- Creating multiple price entry points







People at TMRVL

OUR PEOPLE

TMRVL provides individuals with the competencies and infrastructure that enables them to develop and grow. We maintain an energetic and positive work culture to maximise the potential of individuals. The success of our business is credited to our family of 656 employees.



LEARNING AND DEVELOPMENT

We foster a learning environment at TMRVL wherein we develop our internal talent pool for positions within the organisation. In our endeavour to learn from each other's experiences, we launched BH Learning Academy which caters to various learning interventions to facilitate the growth and development of our employees. Programmes include Basics of Retail, Gaining Customer Loyalty, Sign Language, ESOPs focusing on the means of achieving great retail performance by enhancing store productivity and profitability, Fundamentals of Coaching, Mentoring, Leadership, Team Motivation and the art of giving constructive feedback for managers to get the best out of their teams.



EMPLOYEE ENGAGEMENT

We understand the importance of keeping our employees engaged and motivated. We believe in creating a day-to-day experience that offers employees meaning, impact, connection and appreciation in their everyday work, thereby strengthening the culture of employee engagement. Meaningful and well-defined roles and responsibilities, deep employee engagement interventions, appreciating and rewarding employees for putting in their best for the organisation are integral to our employee engagement strategy.



HEALTHY ENVIRONMENT

We ensure a healthy and safe environment for our employees, giving utmost priority to hygiene around our workplace. Our workspaces are embellished with spacious contours and vibrant hues that stimulate seamless flow of ideas across all levels. This enables our employees to work more creatively and efficiently.

Corporate Social Responsibility

SAVE A LIFE.
SHAPE A LIFE.

We are extensively considering various projects/areas where the Company can contribute towards its defined Corporate Social Responsibility (CSR) activities. The primary responsibility of our CSR plan revolves around social activities relating to promoting education, including special education and employment enhancing vocational skills especially among the differently abled people, health and emergency, promoting healthcare and training to promote eligible sports.





We sponsored children education at Ek Prayaas Educational Society

To commence with, we sponsored education for 50 children at Ek Prayaas Educational Society, a Kolkata based NGO towards the cost of educating and uplifting the lives of children belonging to the rural areas of Kolkata, covering their study material, uniform and meals.



In our upcoming initiatives, we are not just looking at engaging with NGOs, but defining our CSR activities under various projects, including Upskilling the Community which is aimed at arming the country's young underprivileged ones with the skills needed to improve prospects and secure jobs in the industries of today. Our plan is to train youngsters in both soft and work skills and make them readily employable and hence, also addressing India's industrial concern of the shortage of skilled talent. In this, we plan to empower our employees to volunteer themselves to spread their knowledge and train the young minds on various subjects related to Retail Management. This will form part of our Corporate Sustainability Plan. Healthcare is another domain where we will be concentrating upon majorly to help people who are suffering with Cancer and other deadly diseases to lead a normal and healthy life.

BOARD OF DIRECTORS













01 Mr. Pradip Dubhashi
CHAIRMAN, NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mr. Pradip Dubhashi was appointed as Chairman, Non-Executive and Independent Director of our Board on October 7, 2016. He holds a bachelor's degree of Engineering in Electrical Engineering from College of Engineering Pune (CoEP) and a postgraduate Diploma in Management (PGDM) degree from XLRI School of Management (Jamshedpur). He has 45 years of experience in development banking industry and strategy consulting.

02 Mr. Kiran Vaidya
NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mr. Kiran Vaidya was appointed Non-Executive and Independent Director on our Board on October 7, 2016. He holds a bachelor's degree of Commerce from Bangalore University and is an associate member of Institute of Cost and Works Accountants of India (ICWAI). He has over 35 years of experience in various industries in the fields of finance, accounts, costing, budgeting and project finance.

03 Mr. Ramnath Pradeep
NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mr. Ramnath Pradeep holds a master's degree in Economics and Law. He had an enriching experience with Corporation Bank, Central Bank of India, State Bank of India and Bank of India and was appointed as a legal adviser to ONGC Ltd. He has also been on the Boards of IILFS, Centbank Financial Services Ltd., Centbank Home Finance Ltd., Corp Bank Security Ltd., Indian Institute of Banking and Finance Ltd. and Zen Advisors Pvt. Ltd.

04 Mrs. Sangeeta Mandhana
MANAGING DIRECTOR

Mrs. Sangeeta Mandhana holds a bachelor's degree of Commerce from Calcutta University. With her expertise in designing apparels and outfits, she was heading the Design department of Golden Seams Industries Private Limited as Vice President – Design from July 1, 2011 till August 31, 2016.

05 Mr. Priyavrat Mandhana
EXECUTIVE DIRECTOR

Mr. Priyavrat Mandhana holds a bachelor's degree of Commerce from Mumbai University and has over four years of experience in Mandhana Industries Limited (MIL). He has also completed 'Masters of Innovation and Entrepreneurship' from University of Warwick, UK. He plays an important role in strategizing and monitoring the retail business of the Company.

06 Mr. Sachin Jaju
NON-EXECUTIVE DIRECTOR

Mr. Sachin Jaju holds a bachelor's degree of Commerce and a master's degree in Accounts from R.A. Poddar College, Mumbai. He also has a master's degree in Marketing from Narsee Monjee Institute of Management Studies (NMIMS), Vile Parle. He has hands-on experience of 19 years in business.

EXECUTIVE OFFICE















01 Mr. Manish Mandhana
CHIEF EXECUTIVE OFFICER

Mr. Manish Mandhana holds a bachelor's degree in Commerce from Mumbai University and has about 25 years of experience in the textile industry. He is the Chief Executive Officer of The Mandhana Retail Ventures Limited. He has extensive and rich entrepreneurial experience in diverse areas of marketing, design, merchandising, production and management.

02 Mr. Hemant Gupta
CHIEF FINANCIAL OFFICER & CHIEF OPERATING OFFICER

Mr. Gupta is a Chartered Accountant by profession with a rich experience of 18 years in finance & operations, M&A, Legal and compliance. He was associated with Blackberrys (one of the biggest domestic apparel brands in India) as CFO and head of Commercial, legal & Secretarial. He also served as a CFO for Carrefour India (2nd largest retail chain in the world) & was instrumental in setting up their retail business in India. He is handling over all corporate strategy, business operations, finance & all the other functions for the Company.

03 Mr. Kunal Mehta
VICE PRESIDENT – BUSINESS DEVELOPMENT AND MARKETING

Mr. Kunal Mehta is a Commerce graduate from Mumbai University. Currently, he holds the position of Vice President – Business Development and Marketing with TMRVL. He is responsible for the overall management of the core business of the brand, which includes strategic and operational marketing, franchise and business development, logistics, retail planning, among others.

04 Mr. Jagdish Pamwani
VICE PRESIDENT – SALES

Mr. Jagdish Pamwani holds a bachelor's degree in Commerce from Mumbai University and has completed a Professional Development Programme from Cornell University, New York. He is designated as Vice President – Sales with TMRVL and is handling sales in the following verticals: Large Format Stores (LFS), Multi Brand Outlet (MBO), e-commerce and distribution.

05 Ms. Purvi Joshi
VICE PRESIDENT – SOURCING AND INTERNATIONAL BUSINESS

Ms. Purvi Joshi holds a bachelor's degree in Arts from SK Somaiya Institute, Mumbai University. Her educational certifications include Fashion Designing and Apparel Merchandising from India International Trade Centre and Quality Assurance from Indian Institute of Quality Assurance and a Retail Management from Welingkar Institute, Mumbai. She handles end-to-end designing, merchandising, quality assurance, buying and sourcing, production and international marketing for our brand Being Human.

06 Mr. Ritesh Bhardwaj
VICE PRESIDENT – FINANCE, ACCOUNTS AND COMMERCIAL

Mr. Ritesh Bhardwaj is a Chartered Accountant and holds a bachelor's degree of Commerce from Rajasthan University. His rich experience in the fields of finance, accounting and commerce entrusts him with the responsibility of overseeing the day-to-day functioning of other core functions, including human resources, Information Technology (IT) and warehouse.

07 Mr. Virendra Varma
COMPANY SECRETARY

Mr. Virendra Varma is an Associate Member of the Institute of Company Secretaries of India. He holds a bachelor's degree of Commerce and also a bachelor's degree of Law from Mumbai University. He has over nine years of professional experience in the fields of corporate governance, compliance, secretarial and administration of listed and unlisted companies in India and overseas.

ACCOLADES

2018



Customer Loyalty Initiative of the Year - Indian Retail Awards

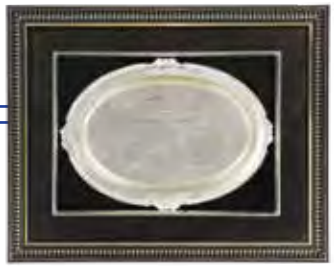
2017





Most Iconic Brand - Made in India

2016



Images Most Admired Fashion Brand of The Year - Images Fashion Awards

2015







- Emerging Brand Award by National Awards - Marketing Excellence
- International Day for Persons with Disabilities - TRRAIN Retail Awards

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pradip Dubhashi – **Non-Executive and Independent Chairman**

Mr. Ramnath Pradeep – **Non-Executive and Independent Director**

Mr. Kiran Vaidya – **Non-Executive and Independent Director**

Mrs. Sangeeta Mandhana – **Managing Director**

Mr. Priyavrat Mandhana – **Executive Director**

Mr. Sachin Jaju – **Non-Executive Director**

BOARD COMMITTEES

Audit Committee

Mr. Kiran Vaidya – **Chairman**
Mr. Pradip Dubhashi – **Member**
Mr. Ramnath Pradeep – **Member**
Mr. Priyavrat Mandhana – **Member**

Nomination & Remuneration Committee

Mr. Ramnath Pradeep – **Chairman**
Mr. Pradip Dubhashi – **Member**
Mr. Kiran Vaidya – **Member**

Stakeholders Relationship Committee

Mr. Sachin Jaju – **Chairman**
Mr. Priyavrat Mandhana – **Member**
Mr. Ramnath Pradeep – **Member**

Corporate Social Responsibility Committee

Mr. Pradip Dubhashi – **Chairman**
Mr. Ramnath Pradeep – **Member**
Mrs. Sangeeta Mandhana – **Member**

Risk Management Committee

Mr. Pradip Dubhashi – **Chairman**
Mr. Ramnath Pradeep – **Member**
Mr. Kiran Vaidya – **Member**
Mr. Sachin Jaju – **Member**

Management Committee

Mr. Priyavrat Mandhana – **Chairman**
Mrs. Sangeeta Mandhana – **Member**
Mr. Sachin Jaju – **Member**

KEY MANAGERIAL PERSONNEL

Mr. Manish Mandhana – **Chief Executive Officer**

Mr. Hemant Gupta – **Chief Financial Officer & Chief Operating Officer**

Mr. Virendra Varma – **Company Secretary**

STATUTORY AUDITORS

M/s. BSR & Co. LLP
Chartered Accountants

SOLICITORS

M/s. Crawford Bayley & Co.
Advocates & Solicitors

INTERNAL AUDITOR

M/s. Aneja Assurance Private Limited
Chartered Accountants

SECRETARIAL AUDITOR

Mr. Nitin R. Joshi – **Practicing Company Secretary**

BANKERS

HDFC Bank Limited
Axis Bank Limited
Corporation Bank
State Bank of India

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
(Unit: The Mandhana Retail Ventures Limited)
C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai 400 083
Tel: 91-22-49186000
Fax: 91-22-49186060
E-mail: mumbai@linkintime.co.in

Registered Office

Plot No. E-132, M.I.D.C,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506
Tel: 91- 2525-697301 to 306
Fax: 91-22-4353 9358

Corporate Office

006-008, Peninsula Centre,
Dr. S. S. Rao Road,
Parel, Mumbai - 400 012
Tel: 91-22-4353 9191
Fax: 91-22-4353 9216
E-mail: cs@mandhanaretail.com
Website: www.mandhanaretail.com

DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting the 7th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2018.

1. Financial Highlights

(₹ in Lakh)

Particulars	**2017-18**	2016-17
Total Turnover	25,944.93	25,958.80
Other Income	128.78	177.38
Profit Before Interest, Depreciation and Taxation	2,095.74	2,862.26
Less: 1. Interest	177.24	240.10
2. Depreciation	367.36	340.02
Profit Before Taxation	**1,551.14**	**2,282.14**
Less: Provision for Taxation		
Current Tax	181.00	1240.00
Deferred Tax	380.08	(355.84)
Net Profit for the Year	990.06	1,397.98
Less: Income Tax paid for earlier year	(87.34)	-
Profit after Taxation	**902.72**	**1,397.98**
Add : Other Comprehensive Income for the Year	10.38	9.27
Total Comprehensive Income for the year	**913.10**	**1,407.25**
Less: Transfer to General Reserve	0.00	0.00
Balance carried forward	**913.10**	**1,407.25**

2. Company Performance and Business Overview

A detailed discussion of operations for the year ended 31st March, 2018 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

3. Dividend

Considering the capital requirement for ongoing business expansion, the Board of Directors recommend conserving the profit and ploughing back the same to further stimulate the growth of the Company

4. Transfer to Reserve

The Company does not propose to transfer amounts to the general reserve out of the amount available for appropriation and an amount of ₹ 913.10 Lakh is proposed to be retained in the profit and loss account.

5. Material Changes and Commitments, if any, Affecting the Financial Position of the Company Which Have Occurred Between the End of the Financial Year of the Company to Which the Financial Statements Relate and the Date of the Report

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

6. Corporate Governance

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), along with a certificate from Auditors regarding compliance of the Corporate Governance are given separately in this Annual Report.

All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2017-18. A declaration to this effect signed by the Chief Executive Officer of the Company is contained in this annual report.

7. Public Deposit

Your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

8. Directors and Key Managerial Personnel (KMP)

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of Company, Mr. Priyavrat Mandhana retires by rotation and being eligible, offers himself for re-appointment. Brief details of Mr. Priyavrat Mandhana as required under Regulation 36(3) of Listing Regulations are provided in the notice of the ensuing Annual General Meeting.

The members' approval is being sought at the ensuing Annual General Meeting for the above appointment.

The Company has received declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Regulation 16(1)(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Hemant Gupta was appointed as the Chief Financial Officer & Chief Operating Officer of the Company with effect from 26th March, 2018 based on the recommendation of the Nomination and Remuneration Committee of the Board. During the year under review, none of the KMP of the Company resigned from their respective positions in the Company.

9. Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Company's Independent Directors met on 23rd February, 2018 without the presence of Executive Directors or Members of the Management. All the Independent Directors attended the Meeting. The Board of Directors expressed their satisfaction with the evaluation process.

10. Number of Meetings of the Board of Directors

During the year 5 (Five) Board Meetings were convened and held. Details of meetings of the Board and its Committees alongwith the attendance of the Directors therein have been disclosed in the Corporate Governance Report (Annexed herewith).

11. Vigil Mechanism / Whistle Blower Policy for Directors and Employees

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The Whistle Blower Policy is posted on the website of the Company and the web-link to the same is http://www.mandhanaretail.com/investor-relations.php

12. Audit Committee

As on 31st March, 2018, the Audit Committee comprised of four members viz. 3 Independent Directors and 1 Executive Director, given as under:

1. Mr. Kiran Vaidya - Chairman
2. Mr. Pradip Dubhashi
3. Mr. Ramnath Pradeep
4. Mr. Priyavrat Mandhana

Further details on the Audit Committee are provided in the Corporate Governance Report (Annexed herewith).

13. Nomination and Remuneration Policiy

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Policy also provides for remuneration of Directors, Members of Senior Management and Key Managerial Personnel.

[Details of Nomination and Remuneration Policy are given under Annexure - 'C' to this Report.]

14. Risk Management Policy

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. Although the Company is not mandatorily required to constitute the Risk Management Committee, but to ensure effective risk management the Board of Directors constituted the Risk Management Committee to monitor and review risk management, assessment and minimization procedures and to identify, review and mitigate all elements of risks which the Company may be exposed to.

The Company recognizes that risk is an integral and unavoidable component of its business. Hence, the company has adopted a Risk Assessment and Management policy ("Policy") to formalize risk based decision-making together with management processes. Risks are managed through a formal risk process as set forth in the Policy. This policy articulates the requirements for processes which include identifying, assessing, measuring, and monitoring risk activities across the organization and establishes governance roles for risk management.

15. Particulars of Loans, Guarantees or Investments

No loans, guarantees or Investments covered under section 186 of the Companies Act, 2013, have been given or provided during the year.

16. Indian Accounting Standards (Ind-As)

As mandated by the Ministry of Corporate Affairs (MCA), the Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2017 with a transition date being 1st April, 2016. The Financial Results for the year 2017-2018 have been prepared in accordance with IND-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder and the other recognized accounting practices and policies to the extent applicable.

17. Related Party Transactions

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material under Regulation 23 of Listing Regulations. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form No. AOC - 2 is not applicable. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed through the following link: http://www.mandhanaretail.com/investor-relations.php. Your Directors draw attention of the members to Note No. 42 to the financial statements which sets out related party disclosures.

Prior omnibus approval is obtained on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee and Board of Directors for their review on periodical basis.

18. Managerial Remuneration

Remuneration to Directors and Key Managerial Personnel

i. The percentage increase in remuneration of each Director, Chief Executive Officer and Company Secretary during FY 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2017-18 are as under:

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/ KMP for FY 2017-18 (in ₹)	% increase in remuneration in FY 2017-18	Ratio of remuneration of each Whole-Time Director to Median Remuneration of Employees
1	Mrs. Sangeeta Mandhana- Managing Director#	87,08,138	Nil	40.92
2	Mr. Priyavrat Mandhana - Executive Director#	87,08,138	Nil	40.92
3	Mr. Sachin Jaju - Non-Executive Director	1,50,000**	N.A.	N.A.
4	Mr. Pradip Dubhashi - Non-Executive Chairman and Independent Director	5,50,000**	N.A.	N.A.
5	Mr. Ramnath Pradeep- Non-Executive and Independent Director	5,75,000**	N.A.	N.A.
6	Mr. Kiran Vaidya - Non-Executive and Independent Director	5,25,000**	N.A.	N.A.
7	Mr. Manish Mandhana - Chief Executive Officer*	10,014,720	N.A.	N.A.
8	Mr. Virendra Varma - Company Secretary	11,76,120	10%	N.A.
9	Mr. Hemant Gupta - Chief Financial Officer & Chief Operating Officer@	N.A.	N.A.	N.A.

 # During the financial year 2017-18, Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana was paid remuneration at ₹ 8,34,560/- per month (inclusive of company's contribution to provident fund). In view of limits provided under the provisions of Section 197 of the Companies Act, 2013, the excess remuneration of ₹ 13,06,582/- each was refunded by Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana.

**The appointment of Mr. Manish Mandhana as the CEO of the Company is effective from 1st April, 2017 and hence no remuneration was paid to him in the financial year 2016-17.*

@Mr. Hemant Gupta was appointed as the CFO & COO of the Company w.e.f. 26th March, 2018, however, Mr. Gupta resumed the services of the Company w.e.f. 2nd April, 2018 and hence no remuneration was paid to him in the financial year 2016 -17 and 2017-18.

*** Exclusive of taxes*

Note: Remuneration paid to each Whole-Time Director and KMP includes Salary, allowances, company's contribution to provident fund and monetary value of perquisites, if any. The remuneration paid to Non-Executive and/or Independent Directors comprises of sitting fees only.

ii. The median remuneration of employees of the Company during FY 2017-18 was ₹2,12,832/;

iii. In the financial year under review, there was an increase of 1.77% in the median remuneration of employees;

iv. There were 653 permanent employees on the rolls of the Company as on 31st March, 2018 (excluding both the Executive Directors & Mr. Hemant Gupta, CFO & COO);

v. Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year i.e. FY 2017-18 was 9.20% as compared to FY 2016-17. As regards comparison of Managerial Remuneration of FY 2017-18 over FY 2016-17, details of the same are given in the above table at sr. no. (i);

vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this report is being sent to the Members excluding the said statement. The said statement is available for inspection of members at the Registered Office of the Company during working hours upto the date of the Annual General Meeting and shall be made available to any shareholder on request. The said statement is also available on the website of the Company, the weblink to which is www.mandhanaretail.com.

19. Statutory Auditors and Auditors' Report

In accordance with Section 139 of the Companies Act, 2013, M/s. BSR & Co., LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) were appointed by the shareholders of the Company at the 6th Annual General Meeting held on 20th September, 2017, as the Statutory Auditors for a period of 5 years to hold office until the conclusion of the 11th Annual General Meeting of the Company.

Earlier, proviso to Section 139(1), of the Companies Act, 2013 provided that the appointment of the Statutory Auditors is required to be ratified by the Members at every Annual General Meeting held during their tenure. However, the said proviso was omitted w.e.f. 7th May, 2018 by the Companies Amendment Act, 2017 and thereby the notice for this 7th Annual General Meeting does not include the proposal seeking ratification of the appointment of the Statutory Auditors.

The Auditors Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31st March, 2018. The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

There is no incident of fraud requiring reporting by the auditors under Section 143(12) of the Companies Act 2013.

20. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Rules made thereunder, the Company has appointed Mr. Nitin R. Joshi, Practicing Company Secretary (Certificate of Practice No. 1884 and Membership No. FCS- 3137) as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure - 'D' and forms an integral part of this Report. The Company has complied with all the applicable secretarial standards.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The statements referred in the Secretarial Audit Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

21. Corporate Social Responsibility

The Annual Report on CSR activities for the financial year 2017-18 is enclosed as Annexure - 'B'.

22. Subsidiaries, Joint Ventures and Associate Companies

The Company has no subsidiary, Joint Venture and Associate Company as on 31st March, 2018.

23. Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future

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

24. Adequacy of Internal Financial Controls

The Company has adequate internal financial controls in place with reference to financial statements. These are continually reviewed by the Company to strengthen the same wherever required. The internal control systems are supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the Management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors.

25. Directors' Responsibility Statement

Pursuant to the requirements under sub section (3)(c) and (5) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that;

i) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;

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

iv) the Directors have prepared the annual financial statements on a going concern basis;

v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

26. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 134(3)(2) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2018 are provided under Annexure - 'A' to this report.

27. Extract of Annual Return

The extract of the Annual Return in prescribed Form No. MGT-9 is provided under Annexure - 'E' forming part of this Report.

28. Others

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

1. The details relating to deposits, covered under Chapter V of the Act, since neither the Company has accepted deposits during the year under review nor there were any deposits outstanding during the year.

2. Details relating to issue of sweat equity shares, stock options, and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares.

3. None of the Whole-Time Directors of the Company received any remuneration or commission from any of its subsidiaries.

Your Directors further state that during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. Acknowledgement

The Directors take this opportunity to thank the Shareholders, Financial Institutions, Banks, Customers, Suppliers, Regulators, Government Authorities - Central and State Government & Local.

The Directors also place on record their appreciation to the employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

ANNEXURE - 'A' TO DIRECTORS' REPORT

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo

(A) Conservation of Energy :

The operations of your Company are not energy intensive. However, wherever possible your company strives to curtail the consumption of energy on a continued basis by using energy-efficient equipment. As energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

The Company consciously makes all efforts to conserve energy across all its operations.

(B) Technology Absorption :

The Company continues to use the latest technologies for improving productivity and quality of its products. There has been no import of technology during the year under review.

(C) Foreign Exchange Earnings and Outgo :

The Foreign Exchange earnings and foreign exchange outgo by the Company during the year are:

Earnings : ₹ 30,89,93,996/-

Outgo : ₹ 8,67,84,889/-

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

ANNEXURE – 'B' TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility activities for the financial year 2017-18

1. A Brief Outline of the Company's Corporate Social Responsibility (CSR) Policy, Including Overview of Projects or Programs Proposed to be Undertaken and A Reference to the Web-Link to the CSR Policy and Projects or Programs

The Company is dedicated towards its social responsibility and aims to contribute to society by supporting and enabling the social and economic development of local communities in India. In alignment with our vision and guiding principles, through our CSR initiatives we aim to address India's most pressing challenges related to education and health.

The CSR Policy of the Company sets out the Company's commitment and approach towards Corporate Social Responsibility of improving the quality of life of the communities it serves. Our philosophy is interwoven in all the three thrust areas, i.e. Education, Employability and Entrepreneurship – the Company endeavours to enhance employability of youth and women.

The initial CSR focus is driven by two broad themes, i.e. Educational initiatives for underprivileged and Employability / skill development (for underprivileged youth), for economic progress and social commitment.

The CSR policy is placed on the website of the Company and link for the same is http://www.mandhanaretail.com/investor-relations.php

2. Composition of the CSR Committee

Name of the Members	Category
Mr. Pradip Dubhashi (Chairman)	Non - Executive and Independent Director
Mr. Ramnath Pradeep	Non - Executive and Independent Director
Mrs. Sangeeta Mandhana	Executive Director

The composition of the Committee is in compliance with Section 135 of the Companies Act, 2013.

3. Average Net Profit of the Company for Last Three Financial Years

₹ 3,199.60 Lakh.

4. Prescribed CSR Expenditure

₹ 63.99 Lakh representing 2% of the Average Net Profit of the Company for the last three financial years.

5. Details of CSR Spent During the Financial Year

(a) Total amount spent for the financial year - ₹4.60 Lakh
(b) Amount unspent, if any - ₹ 59.39 Lakh.
(c) Manner in which the amount spent during the financial year –

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project /Activity identified	Sector in which the Project is covered	Locations	Amount outlay (budget) project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent directly or through Implementing Agency
1.	Education & Food for the children from economically backward families	Education & Health Care	Kolkata	Not Available	₹ 4,60,000/-	₹ 4,60,000/-	Implementing Agency - Ek Prayaas Educational Society

6. In Case the Company Has Failed to Spend the Two Per Cent of the Average Net Profit of the Last Three Financial Years or any Part Thereof, the Company Shall Provide the Reasons For Not Spending the Amount in its Board Report

Apart from the funding the essential educational needs & health requirements for the underprivileged, the Company is also considering some other initiatives including employment enhancement skills for the economically deprived section of the society, helping small children/youngsters to fight with the dreadly disease like cancer, etc. In this regard, the Company is in dialogue with several registered Trusts and Societies to further its CSR objectives.

7. Responsibility Statement of the Corporate Social Responsibility Committee

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

ANNEXURE - 'C' TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY

1. Preamble

1.1 The Mandhana Retail Ventures Limited (the 'Company') recognizes the importance of attracting, retaining and motivating personnel of high calibre and talent for the purpose of ensuring efficiency and high standard in the conduct of its affairs and achievement of its goals besides securing the confidence of the shareholders in the sound management of the Company. For the purpose of attaining these ends, the Company has constituted a Nomination and Remuneration Committee which is entrusted with the task of devising a transparent reasonable and fair policy of remuneration for its directors, key managerial personnel and other employees.

1.2 The Companies Act, 2013 vide sub-section (3) of section 178, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") makes it mandatory for the Board of Directors of every listed company to constitute a Nomination and Remuneration Committee.

1.3 The objective of the Nomination and Remuneration Committee is to assist the Board of Directors of the Company and its controlled entities in fulfilling its responsibilities to shareholders by :

1.3.1. ensuring that the Board of Directors is comprised of individuals who are best able to discharge the responsibilities of Directors in consonance with the Companies Act, 2013 and the norms of corporate governance contained in the Companies (Corporate Social Responsibility Policy) Rules, 2014; and

1.3.2. ensuring that the nomination processes and remuneration policies are equitable and transparent.

1.4 The responsibilities of the Nomination and Remuneration Committee include:

1.4.1. 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 remuneration of the directors, Key managerial personnel and other employees;

1.4.2. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

1.4.3. devising a policy on diversity of Board of Directors;

1.4.4. 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

1.4.5. 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

1.5 This Nomination and Remuneration Policy has been formulated with a view to:

1.5.1 devise a transparent system of determining the appropriate level of remuneration throughout all levels of employees and teams in the Company;

1.5.2 encourage personnel to perform to their highest level;

1.5.3 provide consistency in remuneration throughout the Company;

1.5.4 offer incentives on the premise of aligning the performance of the business with the performance of key employees and teams within the Company; and

1.5.5 set out the approach to diversity on the Board as delineated in the Annexure to this Policy.

1.6 The Nomination and Remuneration Policy elucidates the types of remuneration to be offered by the Company and factors to be considered by the Board of Directors of the Company, Nomination and Remuneration Committee and Management of the Company in determining the appropriate remuneration policy for the Company.

1.7 The Nomination and Remuneration Policy applies to the Company's senior management employees, including its Key managerial personnel and Board of Directors.

2. Definitions

Some of the key terms used in the Nomination and Remuneration Policy are as under:

2.1 **'Board'** means the Board of Directors of The Mandhana Retail Ventures Limited or the Company.

2.2 **'Committee'** means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company in accordance with Section 178 of the Companies Act, 2013.

2.3 **'Director'** means a Director appointed on the Board of the Company including executive; non-executive; and independent directors.

2.4 **'Employee'** means every senior management employee, including Key managerial personnel and directors on the Board.

2.5 **'Key managerial personnel'** includes managing director, or Chief Executive Officer or manager and in their absence, a whole-time director; company secretary; and Chief Financial Officer.

2.6 **'Member'** means a Director of the Company appointed as member of the Committee.

2.7 **'Nomination and Remuneration Policy'** shall mean the policy of remuneration of Directors, Key managerial personnel and other employees of the Company determined by the Nomination and Remuneration Committee.

2.8 **'Senior management'** or **'Senior management employees'** means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

3. Nomination and Remuneration Committee

3.1 The Committee shall be formed by the Board of the Company. It shall consist of three or more Non-Executive Directors out of which not less than one-half shall be Independent Directors. The Board of the Company shall nominate Directors as Members of the Committee from time to time.

3.2 The Chairman of the Committee shall be an Independent Director but shall not be the Chairperson of the Company. He shall be present at the Annual General Meeting, to answer the shareholders' queries and may determine as to who should answer the queries.

3.3 The presently nominated members of the Committee are :

1) Mr. Ramnath Pradeep (Chairman)
2) Mr. Pradip Dubhashi
3) Mr. Kiran Vaidya

4. Letter of Appointment or Contract of Employment

4.1 The Company shall issue a Letter of Appointment to Non-Executive Directors setting out the terms and conditions, if any and the same shall be approved by the Board in consonance to the provision of the Companies Act, 2013 and applicable Regulations of the Listing Regulations and any amendments thereto.

4.2 Executive Directors, Key managerial personnel and senior management employees shall enter into a contract with the Company or a Letter of Appointment shall be issued by the Company clearly setting out the terms and conditions of the remuneration package for such person. The contract of employment/Letter of Appointment may set out the expectations for the performance, the key performance indicators, measures and criteria for assessment or evaluation of performance.

4.3 The Committee and the Board shall approve the contracts of employment/letter of appointment of directors and Key Managerial Personnel. For senior management employees, such appointments shall be considered and approved by the Managing Director in consultation with Chief Executive Officer of the Company and brief particulars of such appointment(s) made shall be placed before the Committee at regular intervals for its noting and ratification.

The Board shall disclose the terms and conditions of any contract of employment / letter of appointment in accordance with the law.

5. Remuneration Structure

5.1 Remuneration To Directors And Key Managerial PersonneL

The Board shall, in consultation with the Committee approve and finalize the forms of remuneration to be offered to Directors and Key managerial personnel. The remuneration package shall be composed of amounts that are fixed and variable and the endeavour of the Board and the Committee shall be to strike a balance between the fixed and variable components and thereby promote sustainable value for the Company and its shareholders over time.

5.1.1 Fixed Remuneration

The contract of employment / letter of appointment entered into by the Executive Directors / Key managerial personnel with the Company shall demarcate the cost to the Company, fixed gross salary or base salary payable to the employee. The fixed remuneration or salary shall be determined according to complexities of the position and role of the Executive Directors / Key managerial personnel, the relevant laws and regulations, conditions prevalent in the labour market and the scale of the business relating to the position. The fixed remuneration will reflect the core performance requirements and expectations of the Company.

5.1.2 Performance Based Remuneration or Incentive-Based Payments

The performance-based or incentive-based payments may form part of the variable component of the salary payable to the Executive Directors / Key managerial personnel. In addition to the fixed remuneration, the Company shall implement a system of bonuses and incentives reflecting short and long term performance objectives appropriate to the working of the Company and designed to lay emphasis on the direct relationship between performance and remuneration. Performance based remuneration shall be proportionate to and contingent upon the attainment of specific performance targets by Executive Directors / Key managerial personnel in the Company. Incentive-based payments take into account factors such as performance of the Executive Directors / Key managerial personnel, his

conduct, responsibilities, position and role and shall be calculated as a percentage of the fixed remuneration.

5.1.3 Severance Fees or Termination Benefits

Each contract of employment / letter of appointment entered into by the Executive Directors and Key managerial personnel with the Company may demarcate in advance the entitlement to payment upon termination of employment for each employee. Making of such payments shall be approved by the Board and the Committee and shall be in consonance with the Nomination and Remuneration Policy of the Company.

5.1.4 Employee Benefits

The Company shall comply with all legal and industrial obligations in determining the benefits available with employees, namely short-term benefits such as salaries, social security contributions, profit sharing and bonuses, post-employment benefits such as gratuity, pension retirement benefits, post-employment life insurance and post-employment medical care other long-term employee benefits, including long-service leave, long-term disability benefits and termination benefits.

5.2 Remuneration To Non-Executive Directors

The Non-executive directors shall be paid sitting fees for attending each of the Meetings of the Board of Directors and Committees as may be approved by the Board of Directors from time to time. The Non-executive directors may be paid commissions and other benefits as may be prescribed by the Board of Directors in conformity of the applicable provisions of the Companies Act, 2013 and rules notified thereunder from time to time.

6. Disclosures

6.1 The Nomination and Remuneration Policy shall be disclosed in the Board's report of the Company prepared in accordance with sub-section (3) of section 134 of the Companies Act, 2013.

6.2 The Nomination and Remuneration Policy and the criteria for evaluation of performance or evaluation criteria as laid down by the Committee shall be disclosed in the Annual Report of the Company.

6.3 Payments to non-executive directors shall be either disclosed in the Annual Report of the Company or put up on the website of the Company and reference drawn thereto in the Annual Report. Further, the number of shares and convertible instruments held by non-executive directors shall be disclosed by the Company in its Annual Report.

6.4 With regard to payment of remuneration, the section on the corporate governance of the Annual Report of the Company shall contain the following disclosures, namely :

6.4.1 All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

6.4.2 Details of fixed component and performance linked incentives, along with the performance criteria;

6.4.3 Service contracts, notice period, severance fees; and

6.4.4 Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable.

7. Review and Implementation

7.1 The Managing Director in consultation with the Chief Executive Officer and the head of the Human Resource department, shall conduct an evaluation of performance for senior management employees and all the other employees who are two level below the Board, on an annual basis to monitor and review, and if necessary, revise the appropriateness of each remuneration package and the summary of the evaluation will be placed before the Committee for its approval.

7.2 The Committee shall be responsible for monitoring the implementation of the Nomination and Remuneration Policy, conducting a review of the same from time to time and advising the Board on the mode of revision of the policy such as inclusion of long-term incentives that would contribute towards creating a sustainable value for shareholders of the Company.

8. Amendment

The Board of Directors reserves the right to amend or modify the Nomination and Remuneration Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the employees, key managerial personnel and senior management employees unless the same is notified to them in writing.

Annexure

Board Diversity Policy

1. Purpose

This Board Diversity Policy ('Policy') sets out the approach to diversity on the Board of Directors ('Board') of The Mandhana Retail Ventures Limited ('TMRVL'/'the Company').

2. Scope

This Policy applies to the Board. It does not apply to employees generally.

3. Policy Statement

TMRVL recognizes and embraces the importance of a diverse Board in its success. TMRVL believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

TMRVL believes that a diverse Board will contribute to the achievement of its strategic and commercial objections, including to:

- Drive business results;
- Make corporate governance more effective;
- Enhance quality and responsible decision making capability;
- Ensure sustainable development; and
- Enhance the reputation of the Company.

The Nomination and Remuneration Committee ('Committee') is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.

Accordingly, the Committee shall:

- Assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board;
- Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and
- Periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, Listing Regulations and the statutory, regulatory and contractual obligations of the Company.

The effective implementation of this Policy requires that shareholders are able to judge for themselves whether the Board as constituted is adequately diverse. To this end, TMRVL shall continue to provide sufficient information to shareholders about the size, qualifications and characteristics of each Board member.

4. Responsibility and Review

The Committee will review this Policy periodically and recommend appropriate revisions to the Board.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

ANNEXURE – 'D' TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[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,
The Mandhana Retail Ventures Limited
(formerly Mandhana Retail Ventures Limited)
006-008, Peninsula Centre,
Dr. S.S. Rao Marg, Parel,
Mumbai 400 012

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Mandhana Retail Ventures Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, and in the manner reported hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made under that Act;

(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made under that Act;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable to Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

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

  (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) SEBI (Prohibition of Insider Trading) Regulations, 2015;

  (c) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**

  (d) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**

  (e) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**

  (f) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The SEBI (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period) and**

  (h) The SEBI (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

(vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:

  I. The Legal Metrology Act, 2009

  II. The Trade Mark Act, 1999

I further report that for the compliance of Labour Laws and other General Laws, my examination and reporting is based on the documents, records as produced and shown to me and the information and explanation as provided to me, by the officers and management of the Company and to the best of my judgment and understanding of the applicability of the different enactments upon the Company, in my opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General Laws and Labour Laws.

I further report that the Company has complied with the applicable clauses/regulations of the following:

(i) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Equity Listing Agreement, to the extent applicable, entered in to by Company with National Stock Exchange of India Limited and BSE Limited; and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

During the period under review, the Company has spent only a part of the amount eligible to be spent on Corporate Social Responsibility.

I further report that

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period;

i. Mr. Manish Mandhana was appointed as the Chief Executive Officer w.e.f. 1st April, 2017, Ordinary Resolution through Postal Ballot.

ii. Mr. Hemant Gupta was appointed as Chief Financial Officer and Chief Operating Officer w.e.f. 26th March, 2018.

Date: 23rd May, 2018 **(NITIN R. JOSHI)**
Place: Mumbai FCS No. 3137 C.P. No 1884

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

Annexure to Secretarial Audit Report

To,
The Members,
The Mandhana Retail Ventures Limited
(formerly Mandhana Retail Ventures Limited)
006-008, Peninsula Centre,
Dr. S.S. Rao Marg, Parel,
Mumbai 400 012

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

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

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

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

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

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

Date: 23rd May, 2018 **(NITIN R. JOSHI)**
Place: Mumbai FCS No. 3137 C.P. No 1884

ANNEXURE – 'E' TO DIRECTORS' REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Company (Management & Administration) Rules, 2014.

I. Registation & Other Details :

i.	CIN	L52390MH2011PLC213349
	Registration Date	12th February, 2011
	Name of the Company	The Mandhana Retail Ventures Limited (Formerly Mandhana Retail Ventures Limited)
	Category / Sub-category of the Company	Company Limited by Shares / Indian/ Non-Government Company.
	Address of the Registered Office & Contact Details	Plot No. E-132, MIDC, Tarapur Industrial Area Boisar, Dist : Palghar – 401 506 Tel : 91-2525-605706/272426 Fax : 91-22-43539358
ii.	Address of the corporate Office & Contact Details	006-008, Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai – 400 012 Tel.: 91-22-43539191 Fax: 91-22-43539216 email : cs@mandhanaretail.com Web : www.mandhanaretail.com
iii.	Whether Listed Company	Yes (BSE Limited & National Stock Exchange of India Limited)
iv.	Name, Address & contact Details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited (Unit: The Mandhana Retail Ventures Ltd.) C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400 083 Tel: 91-22-49186000 Fax : 91-22-49186060 email : rnt.helpdesk@linkintime.co.in

II Principal Business Activities of The Company:

All the business activities contributing 10% or more of the total turnover of the Company are given below:-

Sr. No.	Name & Description of main product / services	NIC Code of the Product / Service*	% to total turnover of the Company #
1	Retail Sale of Clothing	477	100

*As per National Industrial Classification - Ministry of Statistics and Programme Implementation
On the basis of Gross Turnover

III Particulars of Holding, Subsidiary & Associate Companies:

The Company does not have any Holding/ Subsidiary / Associate Company.

IV Shareholding Pattern (Equity Share Capital. Break up as % to total Equity)

(i) Category-wise Shareholding

Category of shareholders	No of Shares held at the beginning of the year (01.04.2017)				**No of Shares held at the end of the year (31.03.2018)**				**% Change During the year@**
	Demat	Physical	Total	% of Total Shares@	**Demat**	**Physical**	**Total**	**% of Total Shares@**	
A. Promoters									
(1) Indian :									
a) Individual/HUF	59,72,431	-	59,72,431	27.05	49,07,431	-	49,07,431	22.22	-4.83
b) Central Government/ State Government	-	-	-	-	-	-	-	-	-
c) FI / Banks	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	9,98,522	-	9,98,522	4.52	9,98,522	-	9,98,522	4.52	-
e) Any other – Relative of Promoters	25,13,729	-	25,13,729	11.38	24,30,590	-	24,30,590	11.01	-0.37
Sub-Total (A)(1)	**94,84,682**	**-**	**94,84,682**	**42.95**	**83,36,543**	**-**	**83,36,543**	**37.75**	**-5.20**
(2) Foreign :									
a) Individual (NRI/ Foreign Individual)	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	**-**	**-**	**-**	**-**	-	-	-	-	**-**
Total Shareholding of Promoter and Promoter Gr.(A)=(A)(1)+(A)(2)	**94,84,682**	**0**	**94,84,682**	**42.95**	**83,36,543**	**-**	**83,36,543**	**37.75**	**-5.20**
B. Public Shareholding									
(1) Institutions :									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investor	6,31,315	-	6,31,315	2.86	6,58,374	-	6,58,374	2.98	0.12
f) Financial Institutions/ Bank	4,62,098	-	4,62,098	2.09	4,61,225	-	4,61,225	2.09	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	**10,93,413**	**-**	**10,93,413**	**4.95**	**11,19,599**	**-**	**11,19,599**	**5.07**	**0.12**
(2) Central Government / State Government(s)/ President of India	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(3) Non Institutions:									
a) Individual									
Individual Shareholders holding Nominal share Capital up to ₹ 1 lakh	21,67,060	4,945	21,72,005	9.84	29,30,116	2,213	29,32,329	13.28	3.44
Individual Shareholders holding Nominal share Capital in Excess of ₹ 1 lakh	56,92,418	-	56,92,418	25.78	56,90,675	-	56,90,675	25.77	-0.01
b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
c) Employees Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
e) Any Other (Specify):	36,40,091	-	36,40,091	16.48	40,03,463	-	40,03,463	18.13	1.65
H.U.F.	5,18,526	-	5,18,526	2.35	4,62,228	-	4,62,228	2.09	-0.26
NRI-Non-Repat	40,597	-	40,597	0.18	64,806	-	64,806	0.29	0.11
Other Directors	35,333	-	35,333	0.16	35,333	-	35,333	0.16	-
NRI-Repat	1,18,405	-	1,18,405	0.54	3,01,037	-	3,01,037	1.36	0.82
Clearing Member	2,35,333	-	2,35,333	1.07	2,02,680	-	2,02,680	0.92	-0.15
Bodies Corporate	26,91,897	-	26,91,897	12.19	29,37,379	-	29,37,379	13.31	1.12
Sub-Total (B)(3)	**1,14,99,569**	**4,945**	**1,15,04,514**	**52.1**	**1,26,24,254**	**2,213**	**1,26,26,467**	**57.18**	**5.08**
Total Public shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**1,25,92,982**	**4,945**	**1,25,97,927**	**57.05**	**1,37,43,853**	**2,213**	**1,37,46,066**	**62.25**	**5.20**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total = (A + B + C)	**2,20,77,664**	**4,945**	**2,20,82,609**	**100**	**2,20,80,396**	**2,213**	**2,20,82,609**	**100**	**-**

@The figures have been rounded off to two decimal places and the same represent percentage (%) shareholding vis-a-vis the paid up capital of the Company, on such particular day.

(ii) Shareholding of Promoters:

Sr. No.	Name	Shareholding at the beginning of the year (01.04.2017)			**Shareholding at the end of the Year (31.03.2018)**			% Change in Shareholding during the year@
		No. of Shares	% of Total Shares of the Company@	% of Shares Pledged/ Encumbered to Total shares	**No. of Shares**	**% of Total Shares of the Company@**	**% of Shares Pledged/ Encumbered to Total shares**	
1	Mr. Purushottam C. Mandhana	13,33,333	6.04	90	10,56,333	4.78	87.38	-1.26
2	Mr. Priyavrat Mandhana	11,19,894	5.07	62.78	11,19,894	5.07	62.78	-
3	Mr. Biharilal C. Mandhana	10,99,666	4.98	75.75	8,99,666	4.07	70.36	-0.91
4	Mr. Manish Mandhana	13,86,206	6.28	86.08	11,48,206	5.2	82.58	-1.08
5	Mr. Purushottam C. Mandhana (HUF)	10,33,332	4.68	83.87	6,83,332	3.09	75.61	-1.59

@The figures have been rounded off to two decimal places and the same represent percentage (%) shareholding vis a vis the paid up capital of the Company, on such particular day.

(iii) Change in Promoters shareholding:

Sr. No.	Name	Shareholding at the beginning of the year		**Cumulative shareholding during the year**	
		No. of Shares	% of Total Shares of the Company@	**No. of Shares**	**% of Total Shares of the Company@**
1	Mr. Purushottam C. Mandhana				
	At the beginning of the year	**13,33,333**	**6.04**	**13,33,333**	**6.04**
	27.09.2017- Invocation by Pledgee	(2,77,000)	1.26	10,56,333	4.78
	At the end of the year	**-**	**-**	**10,56,333**	**4.78**
2	Mr. Priyavrat Mandhana				
	At the beginning of the year	**11,19,894**	**5.07**	11,19,894	5.07
	Changes during the year	-	-	-	-
	At the end of the year	**-**	**-**	**11,19,894**	**5.07**
3	Mr. Biharilal C. Mandhana				
	At the beginning of the year	**10,99,666**	**4.98**	10,99,666	4.98
	27.09.2017- Invocation by Pledgee	(2,00,000)	0.91	8,99,666	4.07
	At the end of the year	**-**	**-**	**8,99,666**	**4.07**
4	Mr. Manish Mandhana				
	At the beginning of the year	**13,86,206**	**6.28**	13,86,206	6.28
	27.09.2017- Invocation by Pledgee	(2,23,000)	1.01	11,63,206	5.27
	15.12.2017- Invocation by Pledgee	(15,000)	0.07	11,48,206	5.2
	At the end of the year	**-**	**-**	**11,48,206**	**5.2**
5	Mr. Purushottam C. Mandhana (HUF)				
	At the beginning of the year	**10,33,332**	**4.68**	10,33,332	4.68
	15.09.2017- Invocation by Pledgee	(2,00,000)	0.91	8,33,332	3.77
	18.09.2017- Invocation by Pledgee	(1,50,000)	0.68	6,83,332	3.09
	At the end of the year	**-**	**-**	**6,83,332**	**3.09**

@The figures have been rounded off to two decimal places and the same represent percentage (%) shareholding vis a vis the paid up capital of the Company, on such particular day

(iv) Shareholding Pattern of Top 10 Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs): (as at the respective date of weekly beneficiary position)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		**Cumulative shareholding during the year**	
		No. of Shares	% of Total Shares of the Company@	**No. of Shares**	**% of Total Shares of the Company@**
1.	Mr. Rakesh Jhunjhunwala				
	At the beginning of the year	**28,13,274**	**12.74**	**28,13,274**	**12.74**
	At the end of the year	**-**	**-**	**28,13,274**	**12.74**
2.	Mentor Capital Limited				
	At the beginning of the year	-	-	-	-
	29.09.2017 Market Purchase	6,60,234	2.99	6,60,234	2.99
	06.10.2017 Market Purchase	50,615	0.22	7,10,849	3.21
	13.10.2017 Market Purchase	24,951	0.11	7,35,800	3.33
	27.10.2017 Market Purchase	450	0.00	7,36,250	3.33
	08.12.2017 Market Purchase	19,000	0.09	7,55,250	3.42
	15.12.2017 Market Purchase	1,79,135	0.81	9,34,385	4.23
	22.12.2017 Market Sale	(972)	0.00	9,33,413	4.23
	29.12.2017 Market Purchase	11,000	0.05	9,44,413	4.28
	12.01.2018 Market Sale	(32,919)	0.15	9,11,494	4.13
	At the end of the year	-	-	**9,11,494**	**4.13**
3.	Auburn Limited				
	At the beginning of the year	**5,74,649**	**2.60**	**5,74,649**	**2.60**
	At the end of the year	**-**	**-**	**5,74,649**	**2.60**
4.	Life Insurance Corporation of India				
	At the beginning of the year	**4,38,887**	**1.99**	**4,38,887**	**1.99**
	At the end of the year	**-**	**-**	**4,38,887**	**1.99**
5.	Vimesh Zaveri	-	-	-	-
	At the beginning of the year				
	16.03.2018 Market Purchase	1,15,000	0.52	1,15,000	0.52
	31.03.2018 Market Purchase	1,07,000	0.49	2,22,000	1.01
	At the end of the year	-	-	2,22,000	1.01
6.	Mr. Ramesh Damani				
	At the beginning of the year	**2,27,987**	**1.03**	**2,27,987**	**1.03**
	26.05.2017 Market Sale	(6,237)	0.02	2,21,750	1.01
	03.11.2017 Market Sale	(4,018)	0.02	2,17,732	0.99
	At the end of the year	**-**	**-**	**2,17,732**	**0.99**
7.	Jamish Investment Pvt. Ltd.				
	At the beginning of the year	**2,01,960**	**0.91**	**2,01,960**	**0.91**
	At the end of the year			**2,01,960**	**0.91**
8.	Rajasthan Global Securities Pvt. Ltd.				
	At the beginning of the year	**61,996**	**0.28**	**61,996**	**0.28**
	14.04.2017 Market Purchase	5,000	0.02	66,996	0.30
	28.04.2017 Market Purchase	5,000	0.02	71,996	0.32
	19.05.2017 Market Purchase	8,335	0.04	80,331	0.36
	26.05.2017 Market Purchase	32,255	0.15	1,12,586	0.51
	30.06.2017 Market Purchase	5,000	0.02	1,17,586	0.53
	13.10.2017 Market Sale	(11,927)	0.05	1,05,659	0.48
	15.12.2017 Market Purchase	37,006	0.17	1,42,665	0.65
	09.02.2018 Market Purchase	14,324	0.06	1,56,989	0.71
	16.02.2018 Market Purchase	4,428	**0.02**	1,61,417	0.73
	02.03.2018 Market Purchase	2,829	0.01	1,64,246	0.74
	09.03.2018 Market Purchase	16,870	0.08	1,81,116	0.82
	16.03.2018 Market Purchase	19,164	0.09	2,00,280	0.91
	At the end of the year	**-**	**-**	**2,00,280**	**0.91**
9.	Mr. Nimish Chandulal Shah				
	At the beginning of the year	**1,84,667**	**0.84**	**1,84,667**	**0.84**
	21.07.2017 Market Purchase	32,500	0.14	2,17,167	0.98
	04.08.2017 Market Sale	(40,000)	0.18	1,77,167	0.80
	22.09.2017 Market Sale	(15,000)	0.07	1,62,167	0.73
	At the end of the year	**-**	**-**	**1,62,167**	**0.73**
10	Munas Investment Pvt. Ltd				
	At the beginning of the year	**1,56,626**	**0.71**	**1,56,626**	**0.71**
	At the end of the year	-	-	**1,56,626**	**0.71**

@The figures have been rounded off to two decimal places and the same represent percentage (%) shareholding vis a vis the paid up capital of the Company, on such particular day. Date of purchase/sale has been considered as the date on which the beneficiary position was provided by the RTA to the Company.

(v) Shareholding of Directors & Key Managerial Personnel (KMP):

Sr. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		**Cumulative shareholding during the year**	
		No. of Shares	% of Total Shares of the Company@	**No. of Shares**	**% of Total Shares of the Company@**
1.	Mr. Priyavrat Mandhana				
	At the beginning of the year	11,19,894	5.07	**11,19,894**	**5.07**
	At the end of the year			**11,19,894**	**5.07**
2.	Mrs. Sangeeta Mandhana				
	At the beginning of the year	79,820	0.36	**79,820**	**0.36**
	At the end of the year			**79,820**	**0.36**
3.	Mr. Sachin Jaju				
	At the beginning of the year	35,333	0.16	**35,333**	**0.16**
	At the end of the year			**35,333**	**0.16**
4.	Mr. Pradip Dubhashi				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
5.	Mr. Ramnath Pradeep				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
6.	Mr. Kiran Vaidya				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
7.	Mr. Manish Mandhana				
	At the beginning of the year	**13,86,206**	**6.28**	**13,86,206**	**6.28**
	27.09.2017- Invocation by Pledgee	(2,23,000)	1.01	11,63,206	5.27
	15.12.2017- Invocation by Pledgee	(15,000)	0.07	11,48,206	5.20
	At the end of the year			**11,48,206**	**5.20**
8.	Mr. Virendra Varma				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
9.	Mr. Hemant Gupta*				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-

@ The figures have been rounded off to two decimal places and the same represent percentage (%) shareholding vis a vis the paid up capital of the Company, on such particular day.

* Mr. Hemant Gupta was appointed as the CFO & COO of the Company w.e.f. 26th March, 2018.

V. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amt in ₹)

	Secured Loans excluding deposits		Unsecured Loans	Deposits	Total Indebtedness
	Term loan	Working Capital			
Indebtedness at the beginning of the financial year					
i) Principal amount	21,256,000	59,120,092	-	-	80,376,092
ii) Interest due but not paid	439,471	-	-	-	439,471
iii) Interest accrued but not due	-	-	-	-	-
Total = (i+ii+iii)	**21,695,471**	**59,120,092**	**-**	**-**	**80,815,563**
Change in Indebtedness during the financial year					
Additions	-	15,925,489	45,000,000	-	60,925,489
Reduction	21,695,471	-	45,000,000	-	66,695,471
Net Change	(21,695,471)	15,925,489	-	-	(5,769,982)
Indebtedness at the end of the financial year					
i) Principal amount	-	75,045,581	-	-	75,045,581
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
Total = (i+ii+iii)	**-**	**75,045,581**	**-**	**-**	**75,045,581**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole time Director and/ or Manager :

(Amt in ₹)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Sangeeta Mandhana	Priyavrat Mandhana	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961#	82,93,418	82,93,418	1,65,86,836
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
`	- As % of profit	-	-	-
	- Others (Specify)	-	-	-
5	Others - Specify	-	-	-
	Total (A)	**82,93,418**	**82,93,418**	**1,65,86,836**
	Ceiling as per the Act	₹ 177.17 Lakh (Being 10% of the net profits of the Company calculated as per Sections 197 and 198 of the Companies Act, 2013)		

#During the financial year 2017-18, Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana was paid remuneration of ₹ 8,34,560/- per month (inclusive of Company's contribution to Provident Fund). In view of limits provided under the provisions of Section 197 of the Companies Act, 2013, the excess remuneration of ₹ 13,06,582/- each was refunded by Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana.

B. Remuneration to other Directors:

(Amt in ₹)

Particulars of Remuneration	Name of the Directors				Total Amount
	Pradip Dubhashi	Ramnath Pradeep	Kiran Vaidya	Sachin Jaju	
a) Fees for Attending Board / Committee Meetings	5,50,000	5,75,000	5,25,000	1,50,000	18,00,000
b) Commission	-	-	-	-	-
c) Others-Specify	-	-	-	-	-
Total (B)	**5,50,000**	**5,75,000**	**5,25,000**	**1,50,000**	**18,00,000**
Total Managerial remuneration (A+B)@					1,65,86,836
Overall Ceiling as per the Act	₹ 194.88 Lakh (Being 11% of the net profits of the Company calculated as per Section 197 and 198 of the Companies Act, 2013)				

@Sitting fees paid is within the limit of ₹1,00,000/- per meeting as prescribed under the Act. Sitting fees has not been considered under 'Total Managerial Remuneration (A+B)' in view of Section 197(2) of the Act.

C. Remuneration to Key Managerial Personnel (other than Managing Director/Joint Managing Director/ Whole Time Director/Manager):

(Amt in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Manish Mandhana Chief Executive Officer	Mr. Virendra Varma, Company Secretary	*Mr. Hemant Gupta Chief Financial Officer & Chief Operating Officer
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961	96,00,000	11,54,520	-
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others (Specify)	-	-	-
5	Others - Specify	-	-	-
	Total	**96,00,000**	**11,54,520**	**-**

Mr. Hemant Gupta was appointed as the CFO & COO of the Company w.e.f. 26th March, 2018. Mr. Gupta resumed the services w.e.f. 2nd April, 2018 and thereby payment of remuneration was not applicable to him for the financial year 2017-18.

VII. Penalties/Punishment/Compounding of Offences:

There were no penalties/ punishment/compounding of offences for breach of any section of the Companies Act against the Company or its Directors or other offices in default, if any, during the year.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS



Your company's business model is to design, produce and sell branded apparel and accessories for men and women in India and abroad. We have established a niche position in the Indian branded apparel market with our brand 'Being Human'. This brand is a part of a charity organization founded by one of India's most famous icons Mr. Salman Khan. The charity is doing great work in the healthcare and education space and customer surveys suggest wide recall and loyalty. The brand's motto of 'doing good while looking good' is emboldened by our over half a million loyal customers.

Towards the end of FY2018, your company released its updated business strategy focused towards creating shareholder value. This multi-pronged strategy concentrates on strengthening the business model while moving towards value retail by creating a strong pipeline of new products.

Indian Economic Scenario

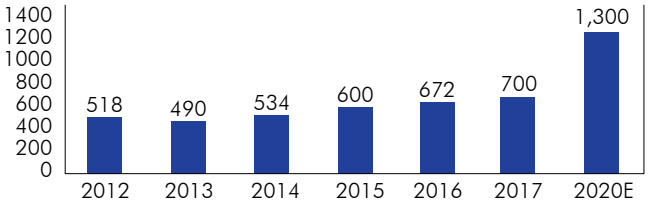
FY2018 has been an interesting year for the Indian economy with significant policy implementations that have changed the way we do business. At the beginning of FY18, while the country was just beginning to come out of the shock of demonetization, both in terms of economic processes as well as dampening of demand sentiments, implementation of the landmark Goods and Services Tax (GST) appeared as an apparent headwind. After growing at a steady pace in the first quarter of 2017, the Indian economic growth rates plunged to a three year low of 5.7 per cent due to a slowdown in consumer spending and exports. Ratings agency India Ratings, however, believes that the Indian economy is finally on a recovery path from the twin shocks of demonetization and GST, which had temporarily derailed growth. India's economic growth rate had rebounded in third quarter of FY2018 and the superior growth trajectory is expected to continue going forward.

In May 2018, The International Monetary Fund (IMF) reaffirmed that India will be the fastest growing major economy in 2018, with a growth rate of 7.4 per cent. This growth rate is expected to rise to 7.8 per cent in 2019 with the country's medium-term prospects remaining positive. The IMF's Asia and Pacific Regional Economic Outlook report said that India's economic recovery would be underpinned by a rebound from transitory shocks as well as robust private consumption.

Retail Sector in India

According to the several industry experts, India is the world's fifth-largest global destination in the retail space. The Indian retail industry accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the total employment. India's retail market is expected to increase by 60 per cent to reach US$ 1.1 trillion by 2020, on the back of factors like rising incomes and lifestyle changes by the middle class coupled with increased digital connectivity. India is also expected to become the world's fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users. Indian e-commerce sales are expected to reach US$ 120 billion by FY2020 from US$ 30 billion in FY2016.

The Retail Sector Market Size in India



Source: BCG Retail 2020, Ernst and Young, Deloitte, indiaretailing.com, Economist Intelligence Unit, Euro monitor

Industry Experts estimate that branded apparel retail, in India, will grow at 1.5 times of the GDP growth rate over the next ten years. The sector is however undergoing a significant transition with consumer taste and preferences changing at a rapid pace. There is also a vast difference in the consumer behavior amongst various cities in the country. Consumers in emerging cities behave differently from the big-city consumers as they have a strong value-for-money orientation, significant local affinity, and a more conservative financial outlook.

The strong growth outlook of Indian retail is also prompting many leading global retailers to enter India. Several domestic and international fashion brands are now expanding their operations in the country to tap into this burgeoning market of fashion, apparel and footwear in the country with a diverse and personalized offering.

Currently, men's apparel holds 41.7 per cent share of the Indian apparel market followed by women's apparel at 37.5 per cent and kids wear at 20.8 per cent, according to India Business of Fashion report 2018. It is estimated that over the next decade, women's wear and kids wear will demonstrate a high CAGR of 9.9 per cent and 10.5 per cent respectively, resulting in a rise in market share of these categories. Both, men's wear and women's wear is expected to contribute 39 per cent each to the total market in 2026, with kids wear accounting for the rest 22 per cent.

Company Positioning

The Mandhana Retail Fashion Limited ("TMRVL") is a leading brand apparel companies in the country. We hold the exclusive brand license for manufacturing and retailing of apparels for the "Being Human" brand. Despite being a fairly young brand, your company has grown significantly and is considered one of the leading men's apparel brands in India.

TMRVL primarily focuses on the mid-to-premium segment and caters largely to the Urban Mass and Urban Middle consumers in India. Apparel design, quality, distribution and branding are done in-house while production of apparels has been handed over to select trusted vendors. Apparel sales are done through Exclusive Brand Outlets (EBOs), Shop-in-Shops (SIS), Franchisee outlets, distributors and via e-commerce channels. This model allows us to remain 'asset-light' in nature.

We follow an "Asset Light" business policy and hence don't own any premises but lease them for EBOs. The premises for franchisee outlets are largely owned or leased by the franchisee partners themselves. The SIS counters are placed in multi-brand outlets and department stores operated by well-known names in retailing.

Domestic Brand Presence:

Point of Sale	As on 31st March, 2017	**As on 31st March, 2018**
Exclusive Brand Outlets (EBOs)	29	34
Shop In Shops (SIS)	351	372
Franchisee	24	27
Distributors	10	7
E- Commerce (E-Comm)	4	3
Total Domestic Sales	418	443

Segment wise Revenue Statement:

(₹ In Lakh)

Particulars	EBO	SIS	Franchisee	Distributors	E-Comm	Others	Domestic	Export	Total
Net Sales	6,008	9,815	3,659	555	2,122	359	22,518	3,196*	25,703
Gross Profit (GP)	3,832	6,101	2,275	322	1,319	(198)	13,650	1,213	14,863
GP (%)	63.78	62.16	62.16	58.11	62.16	-55.35	60.62	35.40	57.29
Profit Before Tax	1,551								1,551
Income Tax	648								648
Profit After Tax (PAT)	903								903
PAT (%)	3.48								3.48

* Excluding export benefit

Point of Sales

In the overall India growth story, Tier II and III cities offer much higher avenues for growth. Consumers in these cities have a high aspirational value, they are willing to spend a larger chunk of their income on food, shopping and entertainment and hence, provide a large untapped potential. In order to capitalise on this large consumer segment, we have strategically shifted our focus on expanding our footprint in these emerging Indian cities. During the year, we opened Ten (10) new stores in Jodhpur, Thane, Ranchi, Siliguri, Surat, Bangalore, Jaipur (2 stores), Chennai and Coimbatore, out of which Six (6) were EBOs and Four (4) were franchisees. During the year, 5 new store were opened in Fiji.

Digital Footprints

One of the key changes in our business strategy has been to increase our digital footprint. We realised early on that digital media will play a key role in influencing consumer preferences and that this impact will be both broad and deep. We have, therefore, decided to expand our online presence and have now collaborated with leading online retailers like Cloudtail and Jabong. Additionally, we are exploring various other e-commerce opportunities with appropriate partners. Your company is also exploring the possibility of launching its exclusive e-commerce platform at an appropriate time in the future.

E-Commerce Sales in FY 2017-18:

Particulars	Rupees in Lakh
Net Sales	2,122
Sales % - Global	8%
Sales % - Domestic	9%
Gross Profit (GP)	1,319
GP (%)	62.16

Performance Review

FY2018 was a challenging year for your company. Apparel retailers had to advance their regular end-of-season sales to early-June, from mid-July, to clear out stocks before GST rolled out in order to avoid imposition of transition rules. We also had to offer a higher-than-usual discount to ensure that minimum inventory remained at the onset of GST's implementation.

FY2018 was also the first full year of IND-AS implementation, which was a significant accounting change. Prior to the implementation of IND-AS, sales returns were accounted on an actual basis and revenue was accordingly adjusted. Specifically in our case, the company follows two seasons and accordingly sales returns were received only once the season was over i.e. at the end of quarter two and quarter four. As a result, the topline in those quarters was not entirely reflective of the actual performance of the period. Under the IND-AS policy, we have started adjusting sales return on an accrual basis. Provisions have been made every quarter for expected returns, which were reflected in the revenues; thereby giving a more realistic picture of that quarter's performance. Historically, the company's sales returns have been 10%-12%. This update in the accounting policy has also managed to reduce the mismatch on the cashflows.

Following table depicts the Profit of the Company for the last 3 financial years:

(₹ in Lakh, except earnings per share)

Particulars	Year ended		
	31.03.2018*	31.03.2017*	31.03.2016#
Total Income from Operations	26,073.71	26,136.18	21,935.58
Net Profit for the period before tax	1,551.14	2,282.14	3,276.17
Net Profit / (Loss) for the period after tax	902.72	1,397.98	2,141.54
Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)	913.10	1,407.25	2,141.54
Equity Share Capital	2208.26	2208.26	5.00
Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	4,533.78	3,620.68	6,357.99
Earnings Per Share (of ₹10/- each)	4.09	6.33	9.70

*Based on IND-AS.
#Based on IGAAP

During the year under review your Company achieved the sales of ₹ 25,958.80 lakh, reflecting a marginal decline of approximately 0.05% over the last fiscal year, primarily on account of higher discounts offered by the Company. EBIDTA margin also decreased to 8% vis-à-vis 11%. In the previous year. The net profit after tax for the year stood at ₹ 903 lakh as compared to ₹ 1,398 lakh in the previous year.

FY2019'S Updated Business Strategy

Your company has updated its business strategy for the next financial year, which is largely focused towards creating long term shareholder value. This multi-pronged strategy concentrates on strengthening the business model while moving towards value retail by creating a strong pipeline of new products.

As you know, our license agreement with the Being Human Foundation for being their exclusive brand partner holds strong until March 2020. However, the company is already in process of renewing the licensing deal with the Foundation, which is expected to conclude in the current financial year itself.

In addition, the company is aiming for wider product outreach by working with various distributors. The aim is to create a strong foothold in India's Tier II and Tier III cities in order to leverage the increased urbanization and disposable incomes of TMRVL's target audience. We are concentrating on catering to the aspirational market of emerging city consumers who have a strong value-for-money orientation, significant local affinity, and a more conservative financial outlook.

TMRVL is aggressively working towards creating a 'core or basic line' of products that will be targeted towards the fast fashion, value-for-money deals in the mid-to-premium segment of branded apparels. In order to improve the sales growth going forward, the company is exploring multiple new sales channels. This will help the brand to reach out to a much wider base of audiences as well as improve our visibility.

The core management team is putting all of its efforts towards targeting an EBITDA margin of 13-14% going forward by improving its outsourcing practices. Finally, TMRVL is introducing various sales schemes and employee training courses in order to improve the same-store-sales growth for FY19.

Human Resource Management

Your company strongly believes that its employees are its biggest assets and have played a major role in it growth. The Company continues to take initiatives that will enhance the operational capabilities of employes and thus, develop a firm platform for future growth. We place significant emphasis on the recruitment and retention process of personnel.

We believe in inclusive growth and being an employer of choice. All our stores employs specially abled people, who are amongst our top achievers. Your company believes that a strong focus on training and development is important for the sustenance and growth of the business and hence a strong emphasis is given to the same. As on 31st March, 2018, the employee base stands at 656.

During the financial year 2017-18 following trainings were provided to employees of the Company:

Sr.No	Details of Learning	Objective of Training	No. of Employees Covered
1	Email Etiquettes	To help employees to follow a uniformity in communicating via emails both internally & externally.	75
2	Basics of Retail & Gaining Customer Loyalty	Basics of Retail, Understanding the Company's customers & strategy to win a loyal customer, the evolution of retail and the changing customer expectations over the years	38
3	Basics of Sign Language	To train employees to understand the basic principles of sign language to help them converse with the special employees at the stores of the Company.	70
4	Excellence in Store Operations	Focused on the means of achieving great retail performance by virtue of enhancing the store productivity and profitability by adopting proven best practices	6
5	Managerial Excellence	Fundamentals of Coaching, Mentoring, Leadership, Motivating team & art of giving constructive feedback to Managers to help get the best out of their teams	50
		Total No. of Employees Trained	**239**

Internal Control Systems

Your company has put in place internal control systems and a structured internal audit process vested with the task of safeguarding the assets of the organisation and ensuring reliability and accuracy of the accounting and other operational data. Internal audit is conducted for all the processes to identify risks and verify whether all systems and processes are commensurate with the business size and structure. These internal controls are verified by the Members of the Audit Committee to keep a check on existing systems and take corrective action to further enhance control measures.

Risks and Concerns

Intense Competitive Pressure: India's branded apparel landscape is being highly infiltrated by various brands, both domestic and international, due to its high growth potential. In order to rise above this competition, your company's strategic priorities lie in targeting the aspirational emerging city consumers with strong focus on value-for-money orientation.

Brand continuity & licensing agreement: The company's core strength lies in its exclusive deal with the 'Being Human Foundation' and the extension of its agreement with the same. The current licensing period extends until March 2020. There is always a risk of its discontinuance. However, We enjoy a strong relation with the foundation. Your company is already in process of renewing the licensing deal with the Foundation, which is expected to conclude in the current financial year itself.

Strong procurement strategy: Your Company uses multiple vendors for procurement and manufacturing of its products. A key success factor of our business is to ensure that we are able to source our products efficiently and at competitive rates to maintain our gross margins and ensure timely execution.

Sensitivity to consumer spending habits: Consumer sentiment in the economy and consequent spending is crucial to your Company's business. Sentiment could be affected by the growth of the economy, interest rates, inflation expectations and future growth expectations. These factors are beyond Company's control. However, your company's core market namely India is considered the brightest star in the global economy with GDP growth of over 7.5 per cent in the coming years.

Ability to anticipate and respond to changing trends: Sales levels and margins depend on Company's ability to sense fashion changes and respond swiftly. If its clothing line were not in with the consumer preferences, its sales will be lower and such stock would have to be heavily discounted leading to drop in profits. Your company has developed a capable team of product planners, designers and supply chain experts to respond speedily to changes.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of Corporate Governance:

The Company's corporate governance is a reflection of the value system encompassing our culture, policies, and relationship with our stakeholders. Integrity and transparency are key to our corporate governance practices to gain and retain the trust of our stakeholders at all times. Our corporate governance philosophy encompasses regulatory and legal requirements, which aims at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Management strives to adhere to all the Corporate Governance practices which form part of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations'). The Company's philosophy of Corporate Governance is not only compliant with the statutory requirements but also underlines our commitment to operate in the best interest of the stakeholders.

Corporate Governance Structure:

The Company follows a dynamic governance structure with an appropriate flow of authority, which is aligned with the responsibility and obligations of each employee. Tenet of the Corporate Governance structure is the three tier governance philosophy adopted by the Company, outlined below:

(i) Tactical Supervision – The Board of Directors (Board) comprising of the Executive and Non-Executive Directors, sites the overall strategy for the Company. The focus is on the fiduciary and trusteeship role exercised by the Board to align and direct the actions of the organization towards creating wealth and stakeholder value.

(ii) Executive Management – The Corporate Management comprising of the Executive Directors, Chief Executive Officer and Chief Financial Officer & Chief Operating Officer of the Company, shares the responsibility of driving the organization towards achieving the goals anchored by the Board of Directors.

(iii) Operational Management – The Head of each Operations are responsible for managing the day to day affairs of the Company.

This three-tier Corporate Governance Structure not only ensures greater management accountability and credibility but also facilitates increased business autonomy, performance, discipline and development of business leaders.

2. Board of Directors:

There were six Directors on the Board of the Company as on 31st March, 2018. The Board of Directors comprises of Executive Directors and Non-Executive Directors including Independent Directors and a Woman Director. The Board is headed by Mr. Pradip Dubhashi, Non-Executive Chairman and Independent Director. Mrs. Sangeeta Mandhana is the Managing Director and Mr. Priyavrat Mandhana is an Executive Director.

The Board also comprises of Mr. Ramnath Pradeep and Mr. Kiran Vaidya, who are Independent Directors and Mr. Sachin Jaju, Non-Executive Director. The Non-Executive Directors are accomplished professionals in their respective fields of expertise.

a. Details relating to the composition of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other companies (as on 31st March, 2018) are as follows:

Name of the Director	Category of Director	Number of other Directorship held (including Private Companies)	Number of Committee Memberships in other domestic Companies	
			As Chairman	As Member
Mr. Pradip Dubhashi	Non - Executive and Independent Chairman	6	1	1
Mr. Ramnath Pradeep	Non - Executive and Independent	6	1	4
Mr. Kiran Vaidya	Non - Executive and Independent	3	0	0
Mrs. Sangeeta Mandhana	Executive	0	0	0
Mr. Priyavrat Mandhana	Executive	2	0	0
Mr. Sachin Jaju	Non - Executive	0	0	0

Note: Membership/Chairmanship relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013.

b. Details relating to the Board Meetings held during the Financial Year 2017-18 along with the attendance of each of the Directors are as follows:

The Board met five times during the financial year under review on the following dates:

1. 29th May, 2017
2. 12th September, 2017
3. 28th September, 2017
4. 14th December, 2017
5. 14th February, 2018

Attendance:

Sr. No.	Name of the Director	Number of meetings entitled to attend	Number of Meetings attended	Whether attended the last AGM (20.09.2017)
1.	Mr. Pradip Dubhashi	5	5	Yes
2.	Mr. Ramnath Pradeep	5	5	Yes
3.	Mr. Kiran Vaidya	5	5	Yes
4.	Mr. Sachin Jaju	5	3	Yes
5.	Ms. Sangeeta Mandhana	5	4	No
6.	Mr. Priyavrat Mandhana	5	5	Yes

c. Disclosure of Relationships between Directors inter-se:

1.	Mrs. Sangeeta Mandhana	Cousin Sister in Law of Mr. Priyavrat Mandhana and Mr. Sachin Jaju
2.	Mr. Priyavrat Mandhana	Cousin Brother in Law of Mrs. Sangeeta Mandhana & Cousin Brother of Mr. Sachin Jaju
3.	Mr. Sachin Jaju	Cousin Brother of Mr. Priyavrat Mandhana and Cousin Brother in Law of Mrs. Sangeeta Mandhana

Except the above, none of the other Directors is related with each other.

d. Number of Shares and Convertible Instruments held by Non- Executive Directors:

Mr. Sachin Jaju, Non-executive Director, holds 35,333 equity shares of ₹ 10/- each of the Company as on 31st March, 2018. No other Non- Executive Director holds any equity shares of the Company.

e. The Company had imparted familiarization programme for the Independent Directors of the Company for them to get acquainted with the nature of business of the company. The details of which are provided on the website of the Company at www.mandhanaretail.com under the tab 'Familiarization Programme for Independent Directors'. The web link for the same is as follows: http://mandhanaretail.com/admin/Documents/DOC58eb27a500b19.pdf

3. Audit Committee:

The Board of Directors has constituted Audit Committee in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The terms of reference and scope of activities of the Audit Committee are in conformity with the Companies Act, 2013 and the Listing Regulations.

The Audit Committee comprises of the following Directors as on 31st March, 2018:

1.	Mr. Kiran Vaidya	Chairman (Non-Executive Independent Director)
2.	Mr. Pradip Dubhashi	Member (Non-Executive Independent Director)
3.	Mr. Ramnath Pradeep	Member (Non-Executive Independent Director)
4.	Mr. Priyavrat Mandhana	Member (Executive Director)

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

A. Brief description of the terms of reference of the Audit Committee *inter alia* includes:

I. The role of the Audit Committee includes the following:

1) 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;

2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8) *approval or any subsequent modification of transactions of the Company with related parties;*

9) *scrutiny of inter-corporate loans and investments;*

10) *valuation of undertakings or assets of the listed entity, wherever it is necessary;*

11) *evaluation of internal financial controls and risk management systems;*

12) *reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;*

13) *reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;*

14) *discussion with internal auditors of any significant findings and follow up there on;*

15) *reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;*

16) *discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;*

17) *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;*

18) *to review the functioning of the whistle blower mechanism;*

19) *approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;*

20) *carrying out any other function as is mentioned in the terms of reference of the audit committee; and*

21) *to ensure prior approval to all related party transaction pursuant to applicable section of the Companies Act, 2013 and the Listing Regulations.*

II. *The audit committee mandatorily reviews the following information:*

1) *management discussion and analysis of financial condition and results of operations;*

2) *statement of significant related party transactions (as defined by the audit committee), submitted by management;*

3) *management letters / letters of internal control weaknesses issued by the statutory auditors;*

4) *internal audit reports relating to internal control weaknesses;*

5) *the appointment, removal and terms of remuneration of the chief internal auditor are subject to review by the audit committee; and*

6) *statement of deviations:*

(a) *quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).*

(b) *annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).*

B. Meetings and Attendance:

Five Audit Committee Meetings were held during the year under review. The dates on which the meetings held are as follows:

1. 29th May, 2017
2. 12th September, 2017
3. 28th September, 2017
4. 14th December, 2017
5. 14th February, 2018

Sr. No.	Name of the Member	Category	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Kiran Vaidya (Chairman)	Non – Executive Independent	5	5
2.	Mr. Pradip Dubhashi	Non – Executive Independent	5	5
3.	Mr. Ramnath Pradeep	Non – Executive Independent	5	5
4.	Mr. Priyavrat Mandhana	Executive	5	5

4. Nomination & Remuneration Committee:

The Board of Directors has constituted the Nomination and Remuneration Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference and scope of activities of the Nomination and Remuneration Committee is in conformity with the Companies Act, 2013 and the Listing Regulations.

The Nomination and Remuneration Committee comprises of the following Directors as on 31st March, 2018:

i.	Mr. Ramnath Pradeep	Chairman (Non-Executive Independent Director)
ii.	Mr. Pradip Dubhashi	Member (Non-Executive Independent Director)
iii.	Mr. Kiran Vaidya	Member (Non-Executive Independent Director)

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

A. Brief description of the terms of reference of the Nomination and Remuneration Committee *inter alia* includes:

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

2) formulation of criteria for evaluation of performance of independent directors and the board of directors and Key Managerial Personnel of the Company;

3) devising a policy on diversity of board of directors;

4) 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.

5) whether to extend, terminate or continue the term of appointment of the independent director, Key Managerial Personnel of the Company, on the basis of the report of performance evaluation of independent directors.

B. Meetings and Attendance:

During the year under review, one Meeting of the Committee was held on 14th December, 2017.

Sr. No.	Name of the Member	Category	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Ramnath Pradeep (Chairman)	Non – Executive Independent	1	1
2.	Mr. Pradip Dubhashi	Non – Executive Independent	1	1
3.	Mr. Kiran Vaidya	Non – Executive, Independent	1	1

C. Performance evaluation criteria for Independent Directors:

The relevant information on performance evaluation for Independent Directors is covered under sub-heading 'Independent Directors' in this report.

5. Remuneration of Directors:

A. Pecuniary relationship or transactions of the non-executive directors *vis-à-vis* the Company:

Except for the sitting fees paid to the Non-Executive Directors for attending the Board and Committee Meetings, there were no other pecuniary relationships or transactions of Non-Executive Directors vis- à-vis the Company.

B. Criteria of making payments to non-executive directors:

The Non-Executive and Independent Directors are paid ₹ 50,000/- per meeting for attending the Meetings of the Board and Audit Committee and ₹ 25,000/- per meeting for attending the Meetings of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee, which is within the limits prescribed under the provisions of the Act.

C. Disclosures with respect to remuneration in addition to disclosures required under the Companies Act, 2013:

Details of sitting fees paid to the Non-executive Directors for the financial year 2017-18:

Sr. No.	Name of the Non-Executive Director	Sitting fees paid (₹)
1.	Mr. Pradip Dubhashi	₹ 5,50,000/-
2.	Mr. Ramnath Pradeep	₹ 5,75,000/-
3.	Mr. Kiran Vaidya	₹ 5,25,000/-
4.	Mr. Sachin Jaju	₹ 1,50,000/-

Details of the remuneration paid to the Managing Director and the Executive Director of the Company for the financial year 2017-18:

Sr. No.	Name of the Director	Remuneration paid/payable (₹)	Perquisites (₹)	Total (₹)
1.	Mrs. Sangeeta Mandhana#	82,93,418	4,14,720	87,08,138
2.	Mr. Priyavrat Mandhana#	82,93,418	4,14,720	87,09,218

#During the financial year 2017-18, Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana was paid remuneration at ₹ 8,34,560/- per month (inclusive of company's contribution to provident fund). In view of limits provided under the provisions of Section 197 of the Companies Act, 2013, the excess remuneration of ₹ 13,06,582/- each was refunded by Mrs. Sangeeta Mandhana and Mr. Priyavrat Mandhana.

Notes:

a. *Salaries and Perquisites include Salary, allowances, company's contribution to provident fund and monetary value of perquisites, if any. The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Executive Directors is three years from their respective dates of appointments. The notice period for termination of appointment is determinable as per company's policy. While there is no specific provision for payment of performance linked incentives and severance fees for any of the Executive Directors, the Board is empowered to consider the same at its discretion, taking into account attendant facts and circumstances.*

b. *The Company has not provided any Stock Options to its Directors or employees.*

6. Stakeholders Relationship Committee:

The Board of Directors has constituted the Stakeholders Relationship Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

A. Brief description of the terms of reference of the Stakeholders Relationship Committee *inter alia* includes:

i) Considering and resolving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

ii) Issue of duplicate/ split/ consolidated share certificates;

iii) Allotment and listing of shares;

iv) Reference to statutory and regulatory authorities regarding investor grievances; and

v) Ensure proper and timely attendance and Redressal of investor queries and grievances.

The Stakeholders Relationship Committee comprises of the following Directors as on 31st March, 2018:

i.	Mr. Sachin Jaju	Chairman (Non-Executive Director)
ii.	Mr. Priyavrat Mandhana	Member (Executive Director)
iii.	Mr. Ramnath Pradeep	Member (Non-Executive Independent Director)

The Company Secretary, acts as secretary to the Stakeholders Relationship Committee and is designated as the Compliance Officer of the Company.

B. Meetings and Attendance:

During the year under review, one Meeting of the Committee was held on 14th February, 2018.

Sr. No.	Name of the Director	Category	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Sachin Jaju	(Chairman) Non-Executive	1	0
2.	Mr. Priyavrat Mandhana	Executive	1	1
3.	Mr. Ramnath Pradeep	Non-Executive Independent	1	1

C. Shareholders' Complaints during the Year:

Number of complaints received during the period	4
Number of complaints resolved during the period	4
Number of complaints remaining unresolved at the end of the year	Nil

The SCORES website of SEBI for redressing grievances of the investors is being visited at regular intervals by the Company and there are no pending complaints registered with SCORES as on 31st March, 2018.

There are no pending cases of share transfer as on 31st March, 2018.

As per Regulation 46(2)(j) of Listing Regulations, the e-mail ID of the grievance redressal and other relevant details of the Company is cs@mandhanaretail.com.

As per Regulation 46(2)(k) of the Listing Regulations, the contact information of designated official of the Company viz. Mr. Virendra Varma, Company Secretary of the Company is cs@mandhanaretail.com; Tel. No. 022-43539191.

7. Independent Directors:

Meeting of Independent Directors:

The Company's Independent Directors met on 23rd March, 2018 without the presence of Executive Directors or members of the Management. All the Independent Directors attended the Meeting.

At this meeting the Independent Directors reviewed the following:

1. Performance of the Chairman;
2. Performance of the Independent and Non-Independent Directors;
3. Performance of the Board as a whole and its Non-Administrative Committees.

The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Chairman of the meeting of the Independent Directors takes appropriate steps to present Independent Directors' views to the Board of Directors of the Company.

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed its satisfaction with the evaluation process.

8. General body Meetings:

A. Particulars of the last 3 Annual General Meetings (AGM):

Particulars	Date and Time	Venue	Details of Special Resolutions passed
6th AGM (FY 2016-17)	20th September, 2017 at 12 noon	Plot No. C-2, M.I.D.C., Tarapur Industrial Area, Boisar, Dist. Palghar - 401506	NIL
5th AGM (FY 2015-16)	7th September, 2016 at 11.00 a.m.	Plot No. E-132, M.I.D.C., Tarapur Industrial Area, Boisar, Dist. Palghar - 401506	i. Adoption of new set of Articles of Association containing regulations in accordance with the Companies Act, 2013 ii. Alteration of Memorandum of Association in accordance with the Companies Act, 2013 iii. Change in the name of the Company iv. Increase in the borrowing powers of the Company v. To make investments, provide loans, Guarantees and securities beyond the prescribed limits
4th AGM (FY 2014-15)	30th September, 2015 at 11.00 a.m.	Plot No. E-132, M.I.D.C., Tarapur Industrial Area, Boisar, Dist. Palghar - 401506	NIL

B. Special Resolutions passed through Postal Ballot during the year under review:

No Special Resolution was passed by the Company through Postal Ballot during the year under review.

However, during the year under review, the Company conducted Postal Ballot for appointment of Mr. Manish Mandhana as the Chief Executive Officer of the Company (Ordinary Resolution).

C. Person who conducted the postal ballot exercise:

Mr. Nitin R. Joshi, Practicing Company Secretary was appointed as the Scrutinizer to conduct the aforesaid Postal Ballot process (including e-voting) in a fair and transparent manner.

D. Whether any special resolution is proposed to be conducted through postal ballot:

Till the date of this report, the Company does not intend or propose to pass any Special Resolution through Postal ballot.

E. Procedure for Postal Ballot:

Pursuant to Section 110 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification, amendments or re-enactment thereof for the time being in force), Listing Regulations and other applicable laws and regulations, the Company had provided to its members the facility to cast their votes by way of postal ballot process (including e-voting) on the resolution as stated above. The Company appointed Central Depository Services Limited (CDSL) for facilitating e-voting.

The resolution was passed with requisite majority. Postal Ballot Notice, Postal Ballot Form and results of the Postal Ballot Voting are available on the Company's website: www.mandhanaretail.com.

9. Means of Communications:

A. Quarterly Results:

The financial results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and are published in the newspapers. The financial results are also displayed on the Company's website i.e. www.mandhanaretail.com

B. Newspapers wherein results normally published:

The results of the Company are normally published in Financial Express (in English) and Mahasagar & Tarun Bharat (in Marathi).

C. Website where the results are displayed:

www.mandhanaretail.com

D. Whether the website also displays official news releases:

The Company has maintained a functional website i.e. www.mandhanaretail.com containing basic information about the Company like the details of its business, financial information, shareholding pattern, codes and policies etc. The disclosures made by the Company to the Stock Exchanges where the securities of the Company are listed are also hosted on the website of the Company.

E. Presentations made to institutional investors or to the analysts:

The presentations made by the Company to institutional investors/ analysts are available on the website of the Company i.e. www.mandhanaretail.com

10. General Shareholder information:

The Company was incorporated on 12th February, 2011, as Mandhana Retail Ventures Limited. The name of the Company was changed from 'Mandhana Retail Ventures Limited' to 'The Mandhana Retail Ventures Limited' w.e.f. 26th September, 2016, pursuant to the change of name certificate received from Registrar of Companies, Mumbai.

Corporate Identification Number (CIN) of the Company is L52390MH2011PLC213349.

The Equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited (NSE) on 14th December, 2016.

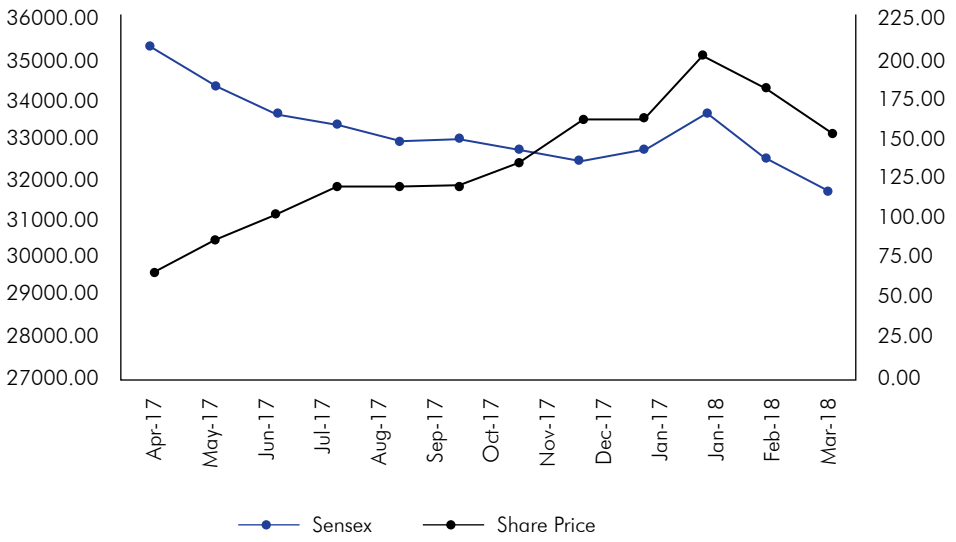
A.	**Annual General Meeting**		
	- Date and Time	:	25th August, 2018 at 12.00 Noon
	- Venue	:	Plot No. C-2, M.I.D.C., Tarapur Industrial Area, Boisar, District Palghar – 401 506
B.	**Financial Year**	:	1st April, 2017 to 31st March, 2018
C.	**Dividend payment date**	:	N.A.
D.	**The name and address of Stock Exchange(s) at which the Company's equity shares are listed and a confirmation about payment of annual listing fee to each of the stock exchanges**	:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 The Company has paid the listing fees to the Stock Exchanges within the prescribed time frame.
(E)	**Security Code / Symbol**	:	
	ISIN	:	INE759V01019
	Security Code for BSE	:	540210
	Symbol for NSE	:	TMRVL

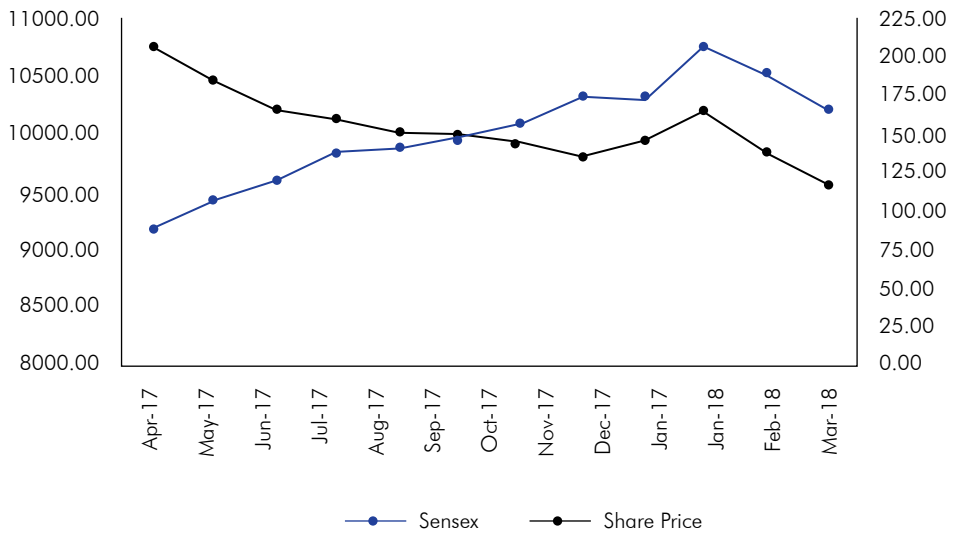
F. The Market Price data during year is given below:

Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Traded Volume	High (in ₹)	Low (in ₹)	Traded Volume
April, 2017	235.00	194.50	363557	236.00	194.10	1400069
May, 2017	203.70	144.65	373006	204.35	145.25	1909994
June, 2017	189.00	150.00	341102	189.20	149.00	1635799
July, 2017	178.00	135.00	127114	175.00	153.00	808214
August, 2017	166.05	123.50	150727	167.00	142.10	738654
September, 2017	165.60	138.00	354306	166.30	138.00	2233543
October, 2017	174.75	132.20	142216	155.00	137.60	728006
November, 2017	149.55	129.00	168026	152.00	114.80	849544
December, 2017	167.00	135.00	608769	166.65	133.35	2112602
January, 2018	188.40	146.00	521300	188.30	148.35	2816922
February, 2018	153.50	128.00	131930	153.00	127.00	557262
March, 2018	144.80	103.65	498933	137.95	104.45	1189509

G. Performance in comparison to broad-based indices such as BSE/NSE Sensex (Average closing):

Month	BSE (Average closing price)		NSE (Average closing price)	
	Share Price	Sensex	Share Price	Nifty
April, 2017	208.29	29695.83	208.30	9214.57
May, 2017	186.66	30420.07	186.70	9436.99
June, 2017	166.60	31144.68	166.46	9606.95
July, 2017	160.71	31879.61	160.51	9850.12
August, 2017	151.98	31772.23	152.49	9901.18
September, 2017	151.52	31887.12	151.59	9977.92
October, 2017	145.82	32397.64	145.59	10138.68
November, 2017	139.18	33395.14	139.11	10324.75
December, 2017	145.63	33424.40	145.81	10322.26
January, 2018	166.12	34989.42	166.21	10771.15
February, 2018	139.88	34287.04	139.91	10533.11
March, 2018	118.75	33323.32	118.71	10232.62





H. In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading.

I. Registrar to an issue and share transfer agents:

Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

J. Share Transfer System:

Link Intime India Private Limited is the Registrar and Share Transfer Agents of the Company. Transfer of physical shares are approved by the Board of Directors or the Stakeholders Relationship Committee which meets at opportune time and if the documents are complete and in order in all respects, the same are registered and returned to the transferees within the stipulated time.

K.

i. Distribution of Shareholding as on 31st March, 2018:

Shares range	No. of Shareholders	% of Shareholders	No. of Shares	% of total issued capital
1 – 500	7,857	83.43	9,46,710	4.29
501 – 1000	693	7.36	5,63,473	2.55
1001- 2000	351	3.73	5,37,066	2.43
2001 – 3000	134	1.42	3,44,571	1.56
3001 – 4000	71	0.75	2,53,945	1.15
4001 – 5000	53	0.56	2,50,481	1.13
5001 – 10000	98	1.04	7,43,225	3.37
10001 & Above	161	1.71	1,84,43,138	83.52
Total	**9,418**	**100.00**	**2,20,82,609**	**100.00**

ii. Shareholding pattern as on 31st March, 2018:

Sr. No.	Category of Shareholder	No. of Shareholders	Total no. of Shares	Total Shareholding as a percentage of total no. of Shares
(A)	**Shareholding of Promoter and Promoter Group(A)**	17	**83,36,543**	**37.75**
(B)	**Public Shareholding**			
(1)	**Institutions**			
(a)	Mutual Funds	0	0	0
(b)	Venture Capital Funds	0	0	0
(c)	Alternate Investment Funds	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0
(e)	Foreign Portfolio Investor	2	6,58,374	2.98
(f)	Financial Institutions/ Banks	4	4,61,225	2.09
(g)	Insurance Companies	0	0	0
(h)	Provident Funds / Pension Funds	0	0	0
	Sub Total (B) (1)	**6**	**11,19,599**	**5.07**
(2)	**Central Government/ State Government(s)/ President of India**	0	0	0
	Sub Total (B) (2)	**0**	**0**	**0**
(3)	**Non-Institutions**			
(a)	Individuals			
	i. Individual shareholders holding nominal share capital upto ₹ 2 Lakhs	8389	34,29,952	15.53
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 Lakhs	43	51,93,052	23.52
(b)	NBFC's registered with RBI	0	0	0
(c)	Employee Trusts	0	0	0
(d)	Overseas depositories (holding DRs)	0	0	0
(e)	Any other			
	i. Hindu Undivided Family	332	4,62,228	2.09
	ii. NRI (Non-repatriate)	41	64,806	0.29
	iii. Directors or Director's Relatives	1	35,333	0.16
	iv. NRI (Repatriate)	120	3,01,037	1.36
	v. Clearing Members	90	2,02,680	0.92
	vi. Bodies Corporate	173	29,37,379	13.30
	Sub Total (B) (3)	**9,189**	**1,26,26,467**	**57.18**
	Total Public Shareholding (B) = (B)(1) + (B)(2)+(B)(3)	**9,195**	**1,37,46,066**	**62.25**
	Total (A) + (B)	**9,212**	**2,20,82,609**	**100.00**
(C)	**Non Promoter - Non Public**			
(1)	Shares Underlying DRs	0	0	0
(2)	Shares Held By Employee Trust	0	0	0
	Grand Total (A)+(B)+(C)	**9,212**	**2,20,82,609**	**100.00**

The shareholding spread across various demat accounts are consolidated on the basis of Permanent Account Number pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017.

L. Dematerialization of shares:

The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Link Intime India Private Limited to offer depository services to its shareholders and has paid respective charges for the benefit of the Members.

Your Company confirms that the entire Promoters' holding is in dematerialized form and the same is in line with the directives issued by the Securities and Exchange Board of India.

The shares of your Company are regularly traded at the BSE Limited and the National Stock Exchange of India Limited and hence have good liquidity.

Out of the total 2,20,82,609 equity shares of the Company, 2,20,80,396 equity shares representing 99.99% are in dematerialized form as on 31st March, 2018.

M. Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

NIL

N. Commodity price risk or foreign exchange risk and hedging activities:

NIL

O. Plant Locations:

The Company is not in the business of manufacturing of goods and does not have a manufacturing plant.

P. Address for Correspondence:

The Mandhana Retail Ventures Limited,
006-008, Peninsula Centre, Dr. S. S. Rao Road, Parel,
Mumbai – 400 012
Tel: 022 - 4353 9191
Fax: 022 - 4353 9358
Email: cs@mandhanaretail.com

11. Other Disclosures:

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

NIL

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

NIL

C. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee:

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the weblink to the same is http://www.mandhanaretail.com/investorRelation.ph. No Director / employee has been denied access to the Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company constantly ensures compliance with all the mandatory requirements of the Listing Regulations. The status of compliances with the non-mandatory requirements specified in Part E of Schedule II have been included in this Report.

E. Weblink where policy for determining material subsidiaries is disclosed:

Not applicable as Company does not have a Subsidiary Company.

F. Weblink where policy on dealing with related party transactions is disclosed:

http://www.mandhanaretail.com/admin/Documents/DOC58eb27c15fb83.pdf

G. Disclosure of commodity price risks and commodity hedging activities:

Not applicable.

12. Discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

A. The Board:

The Company has a Non-Executive Chairman. No separate office is provided to the Chairman. The Non-Executive Chairman is provided secretarial and other assistance whenever needed to enable him to discharge his responsibilities effectively.

B. Shareholder Rights:

The Company's financial results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. The financial results of the Company are displayed on the website of the Company i.e. www.mandhanaretail.com.

C. Modified opinion(s) in audit report:

The financial statements of the Company do not contain any modified opinion.

D. Separate posts of chairperson and chief executive officer

Mr. Pradip Dubhashi, Non- Executive Independent Director, is the Chairman of the Board and Mr. Manish Mandhana is the Chief Executive Officer of the Company.

E. Reporting of internal auditor

The Internal Auditor reports to the Audit Committee.

13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

Disclosure in Compliance with Part F of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the year 2017-18

1.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	Shareholders – 6 Outstanding Equity Shares – 241
2.	No. of shareholders who approached the issuer for transfer of shares from the Suspense Account during the year	2
3.	No. of shareholders to whom shares were transferred from Suspense account during the year	2
4.	Aggregate no. of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	Shareholders – 4 Outstanding Equity Shares – 139
	The voting rights on the aforesaid shares lying in the Suspense Account shall remain frozen till the rightful owners of such shares claims the shares.	

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date: 28th May, 2018

Declaration by the CEO under Schedule V (D) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct:

To the best of my knowledge and belief, this is to affirm and declare, on behalf of the Board of Directors of the Company and senior management personnel, that:

a. The Board of Directors has laid down a Code of Conduct, Ethics and Business Principles for all Board Members and Senior Management of the Company ['the Code of Conduct'];

b. The Code of Conduct has been posted on the website of the Company;

c. All the Board Members and Senior Management Personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended 31st March 2018.

For and on behalf of the Board of Directors and Senior Management Personnel

Manish B. Mandhana
Chief Executive Officer

Place: Mumbai
Date: 28th May, 2018

Compliance Certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

To,
The Board of Directors,
The Mandhana Retail Ventures Limited

We, undersigned in our capacity as the Chief Executive Officer and Chief Financial Officer of The Mandhana Retail Ventures Limited ("the Company"), 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 31st March, 2018 and based on our knowledge and belief:

   i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affair and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.

c) We are responsible 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 financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

d) We have indicated to the Auditors and Audit Committee:

   i. significant changes, if any, in the internal control over financial reporting during the year;

   ii. significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)

Manish Mandhana
Chief Executive Officer

Hemant Gupta
Chief Financial Officer & Chief Operating Officer

Place: Mumbai
Date: 28th May, 2018

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
The Mandhana Retail Ventures Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 9 October 2017.

2. This report contains details of compliance of conditions of corporate governance by The Mandhana Retail Ventures Limited ('the Company') for the year ended 31 March 2018 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. 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.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2018.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We 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.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No:
101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
The Mandhana Retail Ventures Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of The Mandhana Retail Ventures Limited ("the Company"), which comprise the Balance sheet as at 31 March 2018, the Statement of profit and loss, the Statement of changes in equity and the Statement of cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Financial Statements (prepared as per Ind AS)

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to 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 entity's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us these Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of its profit and other comprehensive income, changes in equity and its cash flows for the year ended 31 March 2018.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance sheet, the Statement of profit and loss, the Statement of cash flows and the Statement of changes in equity dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;

(e) on the basis of the written representations received from the directors as on 31 March 2018 and taken on record by the board of directors, none of the directors are disqualified as on 31 March 2018 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**; 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, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company doesn't have any pending litigations which would impact its financial position;

ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. the disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Place: Mumbai
Date: 28th May, 2018

Annexure A to the Independent Auditor's Report – 31 March 2018

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) According to the information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and according to information and explanations given to us, no material discrepancies were noticed upon such verification during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of buildings as disclosed in Note 3 to the Ind AS financial statements, are held in the name of the Company.

(ii) The inventory, except for stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanation given to us, the Company has not granted any loans, made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act.. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance fund, profession tax, income-tax, duty of customs, value added tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities, except in case of advance income tax where there are significant delays.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance fund, profession tax, duty of customs, value added tax, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable except for the following dues of income-tax.

Name of the statute	Nature of dues	Amount in ₹ Lakh	Assessment year	Due date
Income-tax Act, 1961	Advance tax for the quarter ended 30 June 2017	27	2018-19	Not Paid
Income-tax Act, 1961	Advance tax for the quarter ended 30 September 2017	54	2018-19	Not Paid
Income tax Act, 1961	Advance tax for the quarter ended 31 December 2017	54	2018-19	Not Paid

The total advance tax pertaining to AY 2018-19 for ₹130 Lakh is yet to be deposited with the relevant authorities

(b) According to the information and explanations given to us, there are no dues of income-tax, value added tax, duty of customs, goods and service tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans to bank. The Company did not have any dues to any financial institutions and nor it has issued any debentures during the year. Accordingly, paragraph 3(iv) of the Order is not applicable to that extent to the Company.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable. The details of such related parties transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard (Ind AS 24), Related Party Disclosures specified under Section 133 of the Act, read with Rule 4 of the Companies (Accounts) Rules, 2015, as amended.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Place: Mumbai
Date: 28th May, 2018

Annexure B to the Independent Auditor's Report – 31 March 2018

(Referred to in our report of even date)

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

We have audited the internal financial controls with reference to the financial statements of The Mandhana Retail Ventures Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls 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 its business, including adherence to 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

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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference with Financial Reporting

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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only

in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference with Financial Reporting

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

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by ICAI.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Place: Mumbai
Date: 28th May, 2018

BALANCE SHEET

as at 31 March 2018

(₹ In Lakh)

	Note	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
I. Assets				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	2,564.72	2,442.61	2,421.05
(b) Capital work-in-progress	3	0.76	4.06	-
(c) Intangible assets	4	39.97	43.45	46.80
(d) Financial assets				
(i) Non-current loans	5	145.55	190.48	222.93
(e) Deferred tax assets (net)	32	955.85	1,341.43	990.49
(f) Other non-current assets	6	129.20	108.62	93.06
(g) Non-current tax assets		23.66	63.91	40.24
Total non-current assets		**3,859.71**	**4,194.56**	**3,814.57**
(2) Current assets				
(a) Inventories	7	5,484.68	6,131.98	5,678.25
(b) Financial assets				
(i) Trade receivables	8	1,991.64	1,371.10	1,962.25
(ii) Cash and cash equivalents	9	145.01	45.58	18.45
(iii) Current loans	10	1,531.27	1,403.28	1,208.04
(iv) Other current financial assets	11	65.03	94.42	49.37
(c) Other current assets	12	355.92	69.80	109.67
Total current assets		**9,573.55**	**9,116.16**	**9,026.03**
Total Assets		**13,433.26**	**13,310.72**	**12,840.60**
II. Equity and Liabilities				
(1) Equity				
(a) Equity share capital	13	2,208.26	2,208.26	5.00
(b) Other equity	14	4,533.78	3,620.68	4,416.69
Total equity		**6,742.04**	**5,828.94**	**4,421.69**
(2) Non-current liabilities				
(a) Financial liabilities				
(i) Non-current borrowings	15	-	-	212.56
(ii) Other non-current financial liabilities	16	103.54	274.58	252.54
(b) Non-current provisions	17	59.16	53.69	-
(c) Other non-current liabilities	18	8.06	18.24	41.44
Total non-current liabilities		**170.76**	**346.51**	**506.54**
(3) Current liabilities				
(a) Financial liabilities				
(i) Current borrowings	19	750.46	591.20	529.68
(ii) Trade payables	20	4,357.59	4,120.39	2,967.74
(iii) Other current financial liabilities	21	1,065.82	913.16	1,994.86
(b) Other current liabilities	22	183.82	148.31	182.47
(c) Current provisions	23	11.85	0.83	-
(d) Liabilities for current tax (net)	24	150.92	1,361.38	2,237.62
Total current liabilities		**6,520.46**	**7,135.27**	**7,912.37**
Total liabilities		**6,691.22**	**7,481.78**	**8,418.91**
Total Equity And Liabilities		**13,433.26**	**13,310.72**	**12,840.60**

Significant accounting policies 2

Notes to the financial statements 3-48

The notes referred above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

For and on behalf of the Board of Directors of

The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)
CIN: L52390MH2011PLC213349

Sangeeta M. Mandhana
Managing Director
DIN: 06934972

Hemant Gupta
Chief Financial Officer
Membership No: 501212

Priyavrat Mandhana
Executive Director
DIN: 02446722

Virendra Varma
Company Secretary
Membership No: 30786

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2018

(₹ In Lakh)

	Note	**Year ended 31-Mar-18**	Year ended 31-Mar-17
Revenue			
I. Revenue from Operations	25	25,944.93	25,958.80
II. Other income	26	128.78	177.38
III. Total Income (I+II)		**26,073.71**	**26,136.18**
Expenses			
Purchase of stock-in-trade	27	10,434.30	10,836.41
Changes in inventories of stock-in-trade	28	647.30	(453.73)
Employee Benefits Expenses	29	2,489.05	2,015.80
Finance costs	30	177.24	240.10
Depreciation and Amortization Expenses	3,4	367.36	340.02
Other Expenses	31	10,407.32	10,875.44
IV. Total Expenses		**24,522.57**	**23,854.04**
V. Profit before Tax (III-IV)		1,551.14	2,282.14
VI. Tax expense:	32		
1. Current Tax		181.00	1,240.00
2. Deferred Tax		380.08	(355.84)
3. Adjustment of tax for earlier years		87.34	-
VII. Profit for the period		**902.72**	**1,397.98**
VIII. Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		15.88	14.17
(ii) Income tax related to items that will not be reclassified to profit or loss	32	(5.50)	(4.90)
		10.38	**9.27**
IX. Total comprehensive income for the year		**913.10**	**1,407.25**
X. Earnings per equity share			
1. Basic		4.09	6.33
2. Diluted		4.09	6.33

Significant accounting policies 2
Notes to the financial statements 3-48
The notes referred above form an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

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Virendra Varma
Company Secretary
Membership No: 30786

STATEMENT OF CASH FLOW

for the year ended 31 March 2018

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
(A) Cash flow from operating activities		
Net profit before taxation	**1,551.14**	**2,282.14**
Adjustments for:		
Depreciation and amortisation	367.36	340.02
Interest income	(0.16)	(10.74)
Finance costs	177.24	(28.07)
Interest on income-tax	8.64	268.17
Acturial gain/loss reclassified	15.88	14.17
Loss on sale of fixed assets	27.83	-
Operating cash flows before working capital changes	**2,147.93**	**2,865.69**
Working capital adjustments		
(Decrease)/ increase in other non-current financial liabilities	(171.04)	22.04
(Decrease)/ increase in other non-current liabilities	(10.18)	(23.20)
Increase in provisions	16.49	54.52
Increase in trade payables	237.20	1,152.65
(Decrease)/ increase in other current financial liabilities	343.49	(33.02)
(Decrease)/ increase in other current liabilities	35.51	(34.16)
(Increase) in non-current loans	44.93	32.45
(Increase) in other non-current assets	14.60	(15.56)
Decrease/ (increase) in inventories	647.30	(453.73)
(Increase) in trade receivables	(620.54)	591.15
(Increase)/ decrease in other current financial assets	29.39	(45.03)
(Increase)/ decrease in other current assets	(286.12)	39.87
(Increase) in current loans	(127.99)	(195.24)
	2,300.97	**3,958.43**
Income Tax paid	(1,447.19)	(2,408.08)
Net cash inflow from operating activities	**853.78**	**1,550.35**
(B) Cash flow from investing activities		
Purchase for property, plant and equipment including expenditure on capital WIP and capital advances	(529.70)	(362.29)
Proceeds from sale of property, plant and equipment	10.12	-
Interest received	0.16	10.72
Net cash outflow from investing activities	**(519.42)**	**(351.57)**
(C) Cash flow from financing activities		
Repayment of borrowings	(216.95)	(1,250.01)
Proceeds from loans and borrowings	159.26	61.52
Finance charges paid	(177.24)	16.84
Net cash outflow from financing activities	**(234.93)**	**(1,171.65)**
Net increase in cash and cash equivalents	99.43	27.13
Cash and cash equivalents at the beginning of the year	45.58	18.45
Cash and cash equivalents at the end of the year	**145.01**	**45.58**
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet [Note 9]	145.01	45.58
Cash and Cash equivalents as at the year end	**145.01**	45.58

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 -"Cash Flow Statements". Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

The accompanying notes form an integral part of these Financial Statements

As per our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

For and on behalf of the Board of Directors of
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)
CIN: L52390MH2011PLC213349

Sangeeta M. Mandhana
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Membership No: 501212

Priyavrat Mandhana
Executive Director
DIN: 02446722

Virendra Varma
Company Secretary
Membership No: 30786

STATEMENT OF CHANGES IN EQUITY [SOCIE]

for the year ended 31 March 2018

(a) Equity share capital

(₹ In Lakh)

	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	**Amount**	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year balance	2,20,82,609	2,208.26	50,000	5.00	-	-
Shares cancelled during the year (refer note 13)	-	-	(50,000)	(5.00)	-	-
Issue of equity share capital (refer note 13)	-	-	2,20,82,609	2,208.26	-	-
Balance at the end of the reporting year	2,20,82,609.00	2,208.26	2,20,82,609	2,208.26	50,000	5.00

(b) Other equity

(₹ In Lakh)

Particulars	Reserves & Surplus		Other comprehensive income	Total Other Equity
	Capital Reserve	Retained earnings		
Balance at 1 April 2016	**2,208.26**	**2,208.43**	**-**	**4,416.69**
Profit for the year	-	1,397.98	-	1,397.98
Remeasurements of post-employment benefit obligation, net of tax	-	-	9.27	9.27
Total comprehensive income for the year	**-**	**1,397.98**	**9.27**	**1,407.25**
Shares cancelled pursuant to demerger (refer note 13)	5.00	-	-	5.00
Issue of equity share capital (refer note 13)	(2,208.26)	-	-	(2,208.26)
Balance at 31 March 2017	**5.00**	**3,606.41**	**9.27**	**3,620.68**
Profit for the year	-	902.72	-	902.72
Remeasurements of post-employment benefit obligation, net of tax	-	-	10.38	10.38
Total comprehensive income for the year	**-**	**902.72**	**10.38**	**913.10**
Balance at 31 March 2018	**5.00**	**4,509.13**	**19.65**	**4,533.78**

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

For and on behalf of the Board of Directors of
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)
CIN: L52390MH2011PLC213349

Sangeeta M. Mandhana
Managing Director
DIN: 06934972

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Chief Financial Officer
Membership No: 501212

Priyavrat Mandhana
Executive Director
DIN: 02446722

Virendra Varma
Company Secretary
Membership No: 30786

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

1. Company overview

The Mandhana Retail Ventures Limited (formerly known as Mandhana Retail Ventures Limited) ("the Company") was incorporated under the Companies Act, 1956 ("the Act") on 12 February 2011. The Company has been converted into a public limited company by getting its shares listed on the Bombay Stock Exchange and the National Stock Exchange w.e.f. 14 December 2016. The Company is engaged in the business of designing, retailing, marketing and distributing men's wear, women's wear and accessories under "Being Human" trademark.

Pursuant to the approval of the scheme of demerger, the Company has acquired the demerged undertaking of Mandhana Industries Limited ("MIL") which was engaged in the above mentioned business under the global exclusive trademark license agreement with The Salman Khan Foundation.

The Salman Khan Foundation has entered into a new agreement with the Company till 31 March 2020 to be its global license partner.

2A. Basis of preparation

a) Statement of compliance

These financial statements of the Company for the year ended 31 March, 2018 along with comparative financial information for the year 31 March, 2017 and Opening Balance Sheet as at April 1, 2016 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2018 are the first year the Company has prepared in accordance with Ind AS and are covered by Ind AS 101, first-time adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's equity and its net profit is provided in Note 45.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'.

The financial statements of the Company for the year ended 31st March, 2018 were approved for issue in accordance with the resolution of the Board of Directors on 28 May 2018.

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans – net defined benefit obligation measured at present value of benefits payable

c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Division II of Schedule III to the Companies Act, 2013, unless otherwise stated.

d) Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. .

The areas involving critical estimates and judgments are:

i. Property, plant and equipment :

Determination of the estimated useful lives of property, plant and equipment and the assessment of components of the cost that may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

ii. Valuation of inventories
Valuation of inventories, comprising the stock-in-trade at every reporting period end. Net realizable value of inventories is estimated basis the selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

iii. Defined benefit obligations :
The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations.

iv. Deferred tax assets:
A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised

v. Provisions and contingencies:
The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the balance sheet date.

vi. Financial instruments:
All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest rate. Rate of interest is estimated basis the prevailing market interest rate or the rate applicable to the company on any other financial instrument.

e) Classification of assets and liabilities

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is expected to be realized within twelve months after the reporting date; or

iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i. it is expected to be settled in the Company's normal operating cycle;

ii. it is held primarily for the purpose of being traded;

iii. it is due to be settled within twelve months after the reporting date; or

iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2B. Summary of significant accounting policies

a) Revenue recognition

Sale of goods

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

Revenue from sale of goods in the ordinary activities is recognized when all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding the collection. The amount recognized as revenue is exclusive

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

of sales tax and goods and services tax and is net of returns, trade discounts and rebates.

Export incentives are recognized in the year on the basis of claims submitted to the appropriate authorities provided there is no uncertainty to expect ultimate collection at the time of making the claim.

Interest income

For all interest bearing financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

b) Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment (PPE) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of PPE comprises its purchase price, including import duties and other non-refundable taxes or levies, borrowing costs if any and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure/ Income during construction period is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

iii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101..

iv. Depreciation

Depreciation is provided on a pro-rata basis on the written down value method ('WDV') as per the useful life prescribed under Schedule II of the Companies Act, 2013, which, in management's opinion, reflect the estimates useful economic lives of fixed assets.

Leasehold improvements are amortized over the lease term. Depreciation for the year is recognised in the Statement of Profit and Loss.

The following table gives the useful life of different Property, plant and equipment as per Schedule II:

Particulars	**Useful Life**
Office equipment	5 years
Furniture and fixtures	10 years
Computer servers and network	6 years
Desktops/laptops and accessories	3 years
Air conditioners	5 years

v. De-recognition

An item of property, plant and equipment is eliminated from the financial statement on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the statement of profit and loss.

vi. Impairment of property, plant and equipment

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

c) Intangible assets

i. Recognition and Measurement

Intangible assets are recognized only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of such assets can be measured reliably. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. All costs relating to the acquisition are capitalized.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

iii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognized as at 1 April 2016 (transition date) measured as per the

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

previous GAAP and use that as its deemed cost as at date of transition.

iv. Amortisation

Intangible assets are amortised over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. The Company's intangible assets comprise of computer software which are being amortised over their estimated useful life of three years.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Amortisation for the year is recognised in the statement of profit and loss.

v. De-recognition

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

vi. Impairment of Intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. In case of revalued assets, such reversal is not recognized.

d) Leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term (including the rent free period) unless the payments to lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs of leasehold improvement incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

e) Inventories

Inventories comprise of stock-in-trade which are carried at the lower of cost and net realizable value. Cost is determined on first in first out ("FIFO") basis.

Cost of stock-in-trade comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

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

f) Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the statement of profit and loss of the period.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non-monetary foreign currency items are carried at cost.

g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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for the year ended 31 March 2018

i. Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in statement of profit and loss.

Measurement of fair values

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market of the asset or liability; or

- 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 financial statements are categorized within the fair value hierarchy that categorizes financial assets into three levels. As described as follows, these levels are based on the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to unobservable inputs (level 3 inputs).

Level 1: Fair value based on quoted, unadjusted prices on active markets

Level 2: Fair value based on parameters for which directly or indirectly quoted prices on active market are available

Level 3: Fair value based on parameters for which there is no observable market data

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Subsequent Measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and

- The contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

De-recognition

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

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) The Company has transferred substantially all the risks and rewards of the asset, or

(b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent

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for the year ended 31 March 2018

it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments such as security deposits and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in statement of profit and loss for the period.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

Initial recognition and measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognized. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

h) Employee benefits

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the employee service is recognized as an expense as the related service is rendered by the employee. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution to Provident Fund, ESIC and Labour Welfare Fund are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders related service.

Defined Benefit Plan

The Company's gratuity benefit scheme is a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any assets are deducted. The calculation of the Company's obligation under the plans is performed annually by a qualified actuary using the projected unit credit method at the balance sheet date.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income (OCI). The service and interest cost related to defined benefit plans are recognised in employee benefits in the statement of profit and loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in the Statement of Profit and Loss on a straight line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

i) Taxation

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). It is recognised in statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax is measured at that amount expected to be paid to (recovered from) the taxation authorities, on the taxable income or loss determined in accordance with Income Tax Act, 1961 and includes any adjustment to the tax payable or receivable in respect of previous years.

Deferred tax

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that future taxable profits will be available.

j) Earnings per share ('EPS')

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Borrowing costs

Borrowing costs are interest and other costs related to borrowing that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the year in which they are incurred. Ancillary borrowing costs are amortised over the tenure of the loan.

l) Provisions, Contingent liabilities and Contingent assets

Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in financial statements.

m) Cash and Cash equivalents

Cash and cash equivalents comprise cash-in-hand and cash on deposits with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents

n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Executive Director and Chief Executive Officer assesses the financial performance and position of the Company, and makes strategic decisions. He is identified as being the chief operating decision maker for the Company. The Company has only one business segment, which is trading in garments and company generates revenue majorly from Domestic sales along with some export sales. Accordingly, the amounts appearing in these financial statements relate to this one business segment.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment assets include all operating assets used by the business segment and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include operating liabilities pertaining to the segment.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each segment as also the amount allocable on a reasonable basis.

Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income and expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segment are reflected as unallocated income and expense

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Note 3 - Property, plant and equipment

(₹ In Lakh)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Charge for the year	Disposal of assets	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
Buildings	-	158.35	-	158.35	-	1.26	-	1.26	157.09	-
Leasehold improvements	1,407.32	106.79	45.36	1,468.75	158.08	164.72	20.12	302.68	1,166.07	1,249.24
Computers and accessories	46.93	6.00	0.34	52.59	25.64	16.89	0.34	42.19	10.40	21.29
Office equipments	93.86	28.46	2.82	119.50	25.46	28.76	2.45	51.77	67.73	68.40
Air conditoners	24.85	6.29	-	31.14	6.56	7.07	-	13.63	17.51	18.29
Furniture and fixtures	1,197.55	207.85	20.74	1,384.66	112.16	134.98	8.40	238.74	1,145.92	1,085.39
TOTAL	**2,770.51**	**513.74**	**69.26**	**3,214.99**	**327.90**	**353.68**	**31.31**	**650.27**	**2,564.72**	**2,442.61**
Capital Work-in-Progress	4.06	3.26	6.56	0.76			-	-	0.76	4.06
TOTAL	**4.06**	**3.26**	**6.56**	**0.76**	**-**	**-**	**-**	**-**	**0.76**	**4.06**

(₹ In Lakh)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Charge for the year	Disposal of assets	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 31 March 2016
Leasehold improvements	1,338.81	68.51	-	1,407.32	-	158.08	-	158.08	1,249.24	1,338.81
Computers and accessories	44.36	2.57	-	46.93	-	25.64	-	25.64	21.29	44.36
Office equipments	84.04	9.82	-	93.86	-	25.46	-	25.46	68.40	84.04
Air conditoners	24.44	0.41	-	24.85	-	6.56	-	6.56	18.29	24.44
Furniture and fixtures	929.40	268.15	-	1,197.55	-	112.16	-	112.16	1,085.39	929.40
TOTAL	**2,421.05**	**349.46**	**-**	**2,770.51**	**-**	**327.90**	**-**	**327.90**	**2,442.61**	**2,421.05**
Capital Work-in-Progress	-	4.06		4.06	-		-	-	4.06	-
TOTAL	**-**	**4.06**	**-**	**4.06**	**-**	**-**	**-**	**-**	**4.06**	**-**

Note: As at 31 March 2018, Property, Plant and Equipment with carrying amount of ₹ Nil (31 March 2017: ₹ 2,442.61 Lakh) are subject to pari passu charge to secure bank loan (Refer Note: 15)

Note 4- Intangible Assets

(₹ In Lakh)

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 April 2017	Additions	Disposals	Balance as at 31 March 2018	Balance as at 1 April 2017	Charge for the year	Disposal of assets	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
Computer Software	55.57	10.20	-	65.77	12.12	13.68	-	25.80	39.97	43.45
TOTAL	**55.57**	**10.20**	**-**	**65.77**	**12.12**	**13.68**	**-**	**25.80**	**39.97**	**43.45**

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 April 2016	Additions	Disposals	Balance as at 31st March 2017	Balance as at 1 April 2016	Charge for the year	Eliminated on disposal of assets	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 1 April 2016
Computer Software	46.80	8.77	-	55.57	-	12.12	-	12.12	43.45	46.80
TOTAL	**46.80**	**8.77**	**-**	**55.57**	**-**	**12.12**	**-**	**12.12**	**43.45**	**46.80**

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Note 5 Non-current loans

(Unsecured, considered good)

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security Deposits	145.55	190.48	222.93
	145.55	**190.48**	**222.93**

Note 6 Other non-current assets

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Capital advances	100.18	65.00	65.00
Advances other than capital advances :			
Deposit with statutory authorities	8.31	14.77	1.57
Prepaid Expenses	20.71	28.85	26.49
	129.20	**108.62**	**93.06**

Note 7 Inventories

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Traded goods			
- Garments	5,259.68	5,936.06	5,552.05
- Accessories	225.00	195.92	126.20
	5,484.68	**6,131.98**	**5,678.25**

Note: During the year ended 31 March 2018 the Company recorded inventory write down by ₹ 82.13 Lakh. These adjustments were included in Changes in inventories of stock-in-trade and Purchase of stock-in-trade.

Note 8 Trade receivables

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, Considered good	1,991.64	1,371.10	1,962.25
	1,991.64	**1,371.10**	**1,962.25**

Note 9 Cash and cash equivalents

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance with banks :			
In current account	21.69	38.19	9.21
In deposits with original maturity of less than 3 months	114.49	-	-
Cash on hand	8.83	7.39	9.24
	145.01	**45.58**	**18.45**

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Note 10 Current loans

(Unsecured, considered good)

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Security Deposits			
- Deposit to mall management	620.35	495.31	318.18
- Deposit for rental premises (refer note 36)	909.57	906.67	888.55
- Deposit for electricty & telephone	1.35	1.30	1.31
	1,531.27	**1,403.28**	**1,208.04**

Note 11 Other current financial assets

(Unsecured, considered good)

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Insurance claim receivable	0.84	15.97	15.34
Duty drawback receivable	34.91	73.07	34.03
Loans to employees	3.13	5.36	-
Receivable from directors	26.13	-	-
Interest accrued on deposits	0.02	0.02	-
	65.03	**94.42**	**49.37**

Note 12 Other current assets

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance other than Capital advances			
Prepaid expenses	49.56	30.00	32.03
Export Benefits receivable	130.64	-	-
With Government Authorities (VAT / Cenvat / Service tax credit receivable)	147.28	6.79	-
Advance to Vendors	28.44	33.01	77.64
	355.92	**69.80**	**109.67**

Note 13 Share Capital

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. **Authorised :**			
30,000,000 (Previous year: 30,000,000) Equity shares of ₹ 10 each	3,000.00	3,000.00	3,000.00
TOTAL	**3,000.00**	**3,000.00**	**3,000.00**
b. Issued, Subscribed and Paid up:			
22,082,609 (Previous year 22,082,609; 1 April 2016 : 50,000) Equity shares fully paid up	2,208.26	2,208.26	5.00
TOTAL	**2,208.26**	**2,208.26**	**5.00**
c. **Reconciliation of number of shares outstanding at the beginning and end of the year :**			
Number of Equity shares :			
Outstanding at the beginning of the year	2,20,82,609	50,000	-
Equity Shares cancelled during the year	-	(50,000)	-
Equity shares issued during the year (refer note d(2) below)	-	2,20,82,609	-
Outstanding at the end of the year	**2,20,82,609**	**2,20,82,609**	**50,000**

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

d. Terms / Rights attached to equity shares and note on shares issued

1. Terms / Rights attached to Equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

2. Issue of Shares

Pursuant to the scheme of arrangement ('the Scheme') between Mandhana Industries Limited (MIL) with the Company under Sections 391 to 394 of the Companies Act, 1956 (or re-enactment thereof upon effectiveness of the Companies Act, 2013) as sanctioned by Honourable High Court of Judicature of Bombay vide its Order dated 29 March 2016, which has been adopted by the Board of Directors of the Company on 22 November 2014 and filed with the Registrar of Companies on 31 March 2016 to make the scheme effective, the entire retail business and all assets and liabilities of MIL were transferred and vested in the Company effective from the appointed date, i.e. 1 April 2014. Accordingly the Scheme has been given effect to in the financial statements for the year ended 31 March 2016. In consideration of the transfer of the business as a going concern, the Company has issued 2 fully paid up equity shares of ₹10 each for every 3 fully paid up equity shares of ₹10 each of the Transferor Company to the equity shareholders of the Transferor Company. Accordingly, 22,082,609 equity shares of the Company of ₹ 10 each fully paid up are issued to the shareholders of the Transferor Company. The initial share capital of 50,000 equity share of ₹ 10 each issued by the Company stands canceled.

e. Shareholders holding more than 5% of the equity share capital:

Particulars	**As at 31 March 2018**		As at 31 March 2017		As at 1 April 2016	
	No. of Shares	**% holding**	No. of Shares	% holding	No. of Shares	% holding
Purshottam Mandhana	-	-	13,33,333	6.04%	8,316	16.63%
Manish Mandhana	11,48,206	5.20%	13,86,206	6.28%	6,238	12.48%
Priyavrat Mandhana	11,19,894	5.07%	11,19,894	5.07%	8,368	16.74%
Rakesh Jhunjhunwala	28,13,274	12.74%	28,13,274	12.74%	-	-
Biharilal Mandhana	-	-	-	-	6,238	12.48%
Prema Mandhana	-	-	-	-	8,316	16.63%
Sudha Mandhana	-	-	-	-	6,237	12.47%
Sangeeta Mandhana	-	-	-	-	6,287	12.57%
Total	**50,81,374**	**23.01%**	**66,52,707**	**30.13%**	**50,000**	**100.00%**

Note:

No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

Note 14 Other equity

Reserves and Surplus

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
i) Capital reserve			
At the commencement of the year	5.00	2,208.26	2,208.26
Add : Share cancelled pursuant to demerger	-	5.00	-
Less : On issue of equity share capital	-	(2,208.26)	-
At the end of the year	**5.00**	**5.00**	**2,208.26**
ii) Retained Earnings			
At the commencement of the year	3,615.68	2,208.43	66.89
Add: Profit/ (loss) for the year	902.72	1,397.98	2,141.54
Add: Gain/ (loss) on remeasurement of defined benefit plans	10.38	9.27	-
At the end of the year	**4,528.78**	**3,615.68**	**2,208.43**
	4,533.78	**3,620.68**	**4,416.69**

Nature of reserves

a) Capital reserve - The capital reserve has been created on giving effect to the demerger of Mandhana Retail Ventures Limited from Mandhana Industries limited from the appointed date of 1st April 2014. Refer to note 37 for details of the demerger.

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Note 15 Non-current borrowings

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
Term loans from Banks	-	-	212.56
	-	**-**	**212.56**

Terms of Loan:

i) The term loan from one of the banks carries an interest rate of 12.15% P.A. and is repayable in 20 quarterly installments commencing from 26 June 2014.

ii) Aforesaid term loan is secured by way of paripassu charge over all the property, plant and equipment procured including hypothecation of movable properties .

iii) Current maturity of term loan as on 31 March 2017 of ₹ 212.56 Lakh (Previous year ₹ 1,250 Lakh) is disclosed under 'Other current financial liabilities'. (Refer Note 21)

Note 16 Other non-current financial liabilities

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deposits from franchisee	103.54	274.58	252.54
	103.54	**274.58**	**252.54**

Note 17 Non-current provisions

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Gratuity [Refer note 35]	59.16	53.69	-
	59.16	**53.69**	**-**

Note 18 Other non-current liabilities

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Income received in advance	8.06	18.24	41.44
	8.06	**18.24**	**41.44**

Note 19 Current Borrowings

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured			
- Cash credit facility from bank	750.46	591.20	-
Unsecured			
Loans from related parties			
- Directors	-	-	22.50
- Mandhana Industries Limited	-	-	507.18
	750.46	**591.20**	**529.68**

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Terms of loan:

i) Cash credit facility taken from a bank is secured by hypothecation by way of first and exclusive charges on all present and future current financial and non-financial assets inclusive of all inventories and book debts, carries an interest based on prevalent MCLR plus margin and the same is repayable on demand.

ii) Loans from related parties are interest free loans and repayable on demand.

Note 20 Trade payables

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Due to:			
- Due to micro, small and medium enterprises (refer note 38)	319.70	826.98	-
- Due to others	4,037.89	3,293.41	2,967.74
	4,357.59	**4,120.39**	**2,967.74**

Note 21 Other current financial liabilities

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current maturities of long-term debt (including interest accrued and due) (Refer note 15)	-	216.95	1,265.63
Deposits received			
-Deposit from franchise	327.51	92.33	69.02
-Deposit from distributors	146.60	206.80	250.00
-Deposit from Shop in Shop	330.50	254.80	247.48
-Deposit from e-commerce	5.00		
Payable towards capital expenditure	43.25	17.13	-
Employee benefits payable	212.96	125.15	162.73
	1,065.82	**913.16**	**1,994.86**

Note 22 Other current liabilities

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory Dues Payables* (includes tax deducted at source, value added tax, central sales tax, goods and service tax, provident fund, profession tax and ESIC)	60.52	112.57	149.63
Income received in advance	23.36	35.74	32.84
Advances from customers	99.94	-	-
	183.82	**148.31**	**182.47**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note 23 Current provisions

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for employee benefits			
Gratuity [Refer note 35]	11.85	0.83	-
	11.85	**0.83**	**-**

NOTES TO THE FINANCIAL STATEMENTS

as at 31 March 2018

Note 24 Liabilities for current tax (net)

(₹ In Lakh)

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for taxation (Net off advance tax of ₹ 1,357.19 Lakh (31 March 2017: 2,408.09 Lakh; 1 April 2016: Nil))	150.92	1,361.38	2,237.62
	150.92	**1,361.38**	**2,237.62**

Note 25 Revenue from Operations

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Sales of products		
Traded goods		
Domestic sales	22,517.58	22,537.12
Export sales	3,185.55	3,209.47
	25,703.13	**25,746.59**
B. Other operating revenue		
Export benefits and other incentives	241.80	212.21
	241.80	**212.21**
	25,944.93	**25,958.80**

Note 26 Other Income

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Income an financial assets carried at amortised cost.		
Interest on deposits with banks	0.16	10.74
Net gain on foreign currency transactions	56.44	31.82
Interest income on security deposits carried at fair value	72.18	134.82
	128.78	**177.38**

Note 27 Purchase of stock-in-trade

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
- Garments & Accessories	10,434.30	10,836.41
	10,434.30	**10,836.41**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 28 Changes in inventories of stock in trade

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening Stock :		
- Garments	5,936.06	5,552.05
- Accessories	195.92	126.20
Less:		
Closing Stock:		
- Garments	5,259.68	5,936.06
- Accessories	225.00	195.92
Changes in inventories:		
- Garments	676.38	(384.01)
- Accessories	(29.08)	(69.72)
	647.30	**(453.73)**

Note 29 Employee benefit expense

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	2,263.79	1,847.29
Contribution to provident and other funds	156.95	123.17
Gratuity expense	33.19	25.03
Staff welfare expenses	35.12	20.31
	2,489.05	**2,015.80**

Note 30 Finance costs

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on Borrowings		
- on term loan	5.82	122.63
- on cash credit	55.14	3.53
- on current loans	-	6.47
Interest under MSMED Act, 2006	56.32	47.64
Interest on discounting of deposits at amortised cost	59.96	59.83
	177.24	**240.10**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 31 Other expenses

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Commission Expenses	5,445.34	5,563.17
Travelling and conveyance	174.20	140.55
Directors sitting fees	18.53	16.39
Advertisement & sales promotion expenses	800.34	767.51
Auditor remuneration	22.05	13.83
Bank charges	59.62	68.23
Communication expenses	25.15	31.47
Electricity charges	93.82	91.79
Freight & transportation charges	145.76	192.96
General expenses	49.60	23.25
Housekeeping charges	26.16	14.64
Insurance charges	8.92	8.09
Interest on income tax	8.64	268.17
Legal charges	27.03	27.45
Loss on sale of fixed assets	27.83	-
License fees	1,105.42	1,188.73
Printing & stationery	15.06	8.57
Professional fees	244.39	312.00
Rates & taxes	26.64	85.73
Rent, CAM & utility charges	1,933.11	1,974.26
Repairs & maintenance	52.51	30.34
Shortage / excess	41.41	2.26
Subscription & membership fees	20.70	7.70
Watch & ward expenses	35.09	38.35
	10,407.32	**10,875.44**

Note 32 - Tax Expense

(a) Amounts recognised in profit and loss

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Current income tax	181.00	1,240.00
Tax expense for prior years	87.34	-
Deferred income tax liability / (asset), net		
Disclosures basis the MAT credits - since MAT has been adjusted to all the below items:		
- Unabsorbed tax loss	(493.04)	-
- Unabsorbed depreciation	(103.66)	-
- Property, plant and equipment	(33.18)	(17.26)
- Inventories	(695.54)	177.54
- Deferred income	1,927.43	(492.86)
- Provision for gratuity	(11.21)	(23.77)
- Other items	(29.72)	0.51
MAT credit entitlement	(181.00)	-
Deferred tax expense	**380.08**	**(355.84)**
Tax expense for the year	**648.42**	**884.16**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 32 - Tax Expense (Contd.)

(b) Amounts recognised in other comprehensive income

(₹ In Lakh)

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Before tax	**Tax (expense) benefit**	**Net of tax**	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	15.88	(5.50)	10.38	14.17	(4.90)	9.27
	15.88	**(5.50)**	**10.38**	**14.17**	**(4.90)**	**9.27**

(c) Reconciliation of effective tax rate

(₹ In Lakh)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit before tax	1,551.14	2,282.14
Tax using the Company's domestic tax rate (Current year 34.61% and Previous Year 34.61%)	(536.82)	(789.80)
Reduction in tax rate		
Tax effect of:		
Non-deductible tax expenses	(24.68)	(109.30)
Adjustment of tax of earlier years	(87.34)	-
Others	0.42	14.94
	(648.42)	**(884.16)**

The Company's weighted average tax rates for the years ended March 31, 2018 and 2017 were 36.17% and 38.74%, respectively. Income tax expense was ₹648.42 Lakh for the year ended 31 March 2018, as compared to income tax expense of ₹ 884.16 Lakh for the year ended 31 March 2017.

(d) Movement in deferred tax balances

(₹ In Lakh)

31 March 2018	**Net balance 1 April, 2017**	**Recognised in profit or loss**	**Recognised in OCI**	**Net balance 31 March 2018**	**Deferred tax asset**	**Deferred tax liability**
Deferred tax asset						
Unabsorbed tax loss	-	493.04	-	493.04	493.04	-
Unabsorbed depreciation	-	103.66	-	103.66	103.66	-
Property, plant and equipment	(19.66)	33.18	-	13.52	13.52	-
Inventories	(758.50)	695.54	-	(62.96)	-	(62.96)
Deferred income	2,101.35	(1,927.43)	-	173.92	173.92	-
Provision for gratuity	18.87	11.21	(5.50)	24.58	24.58	-
Other items	(0.63)	29.72	-	29.09	29.09	-
MAT credit entitlement	-	181.00	-	181.00	181.00	-
Tax assets (liabilities)	**1,341.43**	**(380.08)**	**(5.50)**	**955.85**	**1,018.81**	**(62.96)**
Set off tax	-	-	-	-	-	-
Net tax assets	**1,341.43**	**(380.08)**	**(5.50)**	**955.85**	**1,018.81**	**(62.96)**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 32 - Tax Expense (Contd.)

(₹ In Lakh)

31 March 2017	Net balance 1 April, 2016	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2017	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(36.92)	17.26	-	(19.66)	-	(19.66)
Inventories	(580.96)	(177.54)	-	(758.50)	-	(758.50)
Deferred income	1,608.49	492.86	-	2,101.35	2,101.35	-
Provision for gratuity	-	23.77	(4.90)	18.87	18.87	-
Other items	(0.12)	(0.51)	-	(0.63)	-	(0.63)
Tax assets (liabilities)	**990.49**	**355.84**	**(4.90)**	**1,341.43**	**2,120.22**	**(778.79)**
Set off tax	-	-	-	-	-	-
Net tax assets	**990.49**	**355.84**	**(4.90)**	**1,341.43**	**2,120.22**	**(778.79)**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of future taxable income and the period over which deferred income tax assets will be recovered.

Tax losses carried forward

(₹ In Lakh)

	31 Mar 2018	31 Mar 2017	Expiry date	1 April 2016
Expire	1,424.64	-	31.03.2026	-
Never Expire	299.52	-	-	-

Note 33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of the Company

	31 March 2018 (₹ In Lakh)	31 March 2017 (₹ In Lakh)
Profit attributable to equity holders of the Company (for basic EPS)	902.72	1,397.98
Effect of dilution	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	**902.72**	**1,397.98**

ii. Weighted average number of ordinary shares

	31 March 2018 (₹ In Lakh)	31 March 2017 (₹ In Lakh)
Issued ordinary shares at April 1	2,20,82,609	50,000
Effect of shares issued to related business combinations	-	2,20,82,609
Effect of shares cancelled during the year	-	(50,000)
Weighted average number of shares at March 31 for basic EPS	**2,20,82,609**	**2,20,82,609**
Effect of dilution		
Weighted average number of shares at March 31 for diluted EPS	**2,20,82,609**	**2,20,82,609**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Basic and Diluted earnings per share

	31 March 2018 ₹	31 March 2017 ₹
Basic earnings per share	4.09	6.33
Diluted earnings per share	4.09	6.33

Note 34 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilties not measured at fair value if the carrying amount is a reasonable approximation of its fair value.

(₹ In Lakh)

31 March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits given for Brand outlets	-	-	765.90	765.90	-	-	-	-
Trade receivables	-	-	1,991.64	1,991.64	-	-	-	-
Cash and cash equivalents	-	-	145.01	145.01	-	-	-	-
Current Loans	-	-	910.92	910.92	-	-	-	-
Other Current financial asset	-	-	65.03	65.03	-	-	-	-
	-	**-**	**3,878.50**	**3,878.50**	**-**	**-**	**-**	**-**
Financial liabilities								
Term loan from banks	-	-	-	-	-	-	-	-
Franchisee deposits	-	-	431.05	431.05	-	-	-	-
Current borrowings	-	-	750.46	750.46	-	-	-	-
Trade and other payables	-	-	4,357.59	4,357.59	-	-	-	-
Other Current financial liabilities	-	-	738.31	738.31	-	-	-	-
	-	**-**	**6,277.41**	**6,277.41**	**-**	**-**	**-**	**-**

(₹ In Lakh)

31 March 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits given for Brand outlets		-	685.79	685.79	-	-	-	-
Trade receivables	-	-	1,371.10	1,371.10	-	-	-	-
Cash and cash equivalents	-	-	45.58	45.58	-	-	-	-
Current Loans	-	-	907.97	907.97	-	-	-	-
Other Current financial asset	-	-	94.42	94.42	-	-	-	-
	-	**-**	**3,104.86**	**3,104.86**	**-**	**-**	**-**	**-**
Financial liabilities								
Term loan from banks	-	-	216.95	216.95	-	-	-	-
Franchisee deposits	-	-	366.91	366.91	-	-	-	-
Current borrowings	-	-	591.20	591.20	-	-	-	-
Trade and other payables	-	-	4,120.39	4,120.39	-	-	-	-
Other Current financial liabilities	-	-	603.88	603.88	-	-	-	-
	-	**-**	**5,899.33**	**5,899.33**	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 34 Financial instruments - Fair values and risk management (Contd.)

A. Accounting classification and fair values (Contd.)

(₹ In Lakh)

1 April 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits given for Brand outlets	-	-	541.11	541.11	-	-	-	-
Trade receivables	-	-	1,962.25	1,962.25	-	-	-	-
Cash and cash equivalents	-	-	18.45	18.45	-	-	-	-
Current Loans	-	-	889.86	889.86	-	-	-	-
Other Current financial asset	-	-	49.37	49.37	-	-	-	-
	-	**-**	**3,461.04**	**3,461.04**	**-**	**-**	**-**	**-**
Financial liabilities								
Term loan from banks	-	-	1,478.19	1,478.19	-	-	-	-
Franchisee deposits	-	-	321.56	321.56	-	-	-	-
Current borrowings	-	-	529.68	529.68	-	-	-	-
Trade and other payables	-	-	2,967.74	2,967.74	-	-	-	-
Other Current financial liabilities	-	-	660.21	660.21	-	-	-	-
	-	**-**	**5,957.38**	**5,957.38**	**-**	**-**	**-**	**-**

(1) Assets that are not financial assets (such as receivables from statutory authorities, export benefit receivables, prepaid expenses, advances paid and certain other receivables) amounting to ₹485.12, ₹178.42 Lakh and ₹202.73 Lakh as of 31 March 2018, 31 March 2017 and 1 April 2016, respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to ₹191.88, ₹166.55 Lakh and ₹223.91 Lakh as of 31 March 2018, 31 March 2017 and 1 April 2016, respectively, are not included.

B. Measurement of fair values

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Items measured at ammortised cost such as security deposits given and security deposits taken	Discounted cash flow approach: The valuation model considers the present value of expected payment, discounted using a risk adjusted discount rate.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

Credit risk ;
Liquidity risk ; and
Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 34 Financial instruments - Fair values and risk management (Contd.)

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Risk Management Committee.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Company may have a secured claim. The Company does not otherwise require collateral in respect of trade and other receivables

Impairment

At 31 March 2018, the ageing of trade and other receivables that were not impaired was as follows.

	Carrying amount (₹ In Lakh)		
	31-Mar-18	31-Mar-17	31-Mar-16
Neither past due nor impaired	1,045.36	377.03	359.71
Past due 1–30 days	331.15	380.90	389.03
Past due 31–90 days	410.04	339.53	635.25
Past due 91–150 days	82.07	62.80	132.19
More than 150 days	123.03	210.84	446.08
	1,991.64	**1,371.10**	**1,962.25**

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

At 31 March 2018, the carrying amount of the Company's most significant single customer, was ₹ 417.26 Lakh (31 March 2017 : ₹ 314.83 Lakh; 1 April 2016: ₹ 167.49 Lakh).

Cash and cash equivalents

The Company held cash and cash equivalents of ₹145.01 at 31 March 2018 (31 March 2017: ₹ 45.58 Lakh; 1 April 2016: ₹ 18.45 Lakh). The cash and cash equivalents are held with bank and financial institution counterparties, which have good credit ratings

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 34 Financial instruments - Fair values and risk management (Contd.)

C. Financial risk management (Contd.)

Security deposits given to lessors

The Company has given security deposit to lessors of ₹1,675.47 Lakh as at 31 March 2018 (31 March 2017: ₹1,592.47 Lakh; 1 April 2016: ₹ 1,429.65 Lakh) for premises leased to the Company. The credit worthiness of such lessors is considered to be good.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company has obtained fund and non fund based working capital requirments from HDFC Bank.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

(₹ In Lakh)

31 March 2018	Carrying amount	Contractual cash flows Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks	-	-	-	-	-	-
Deposits received	431.05	431.05	327.51	72.84	30.70	-
Current borrowings	750.46	750.46	750.46	-	-	-
Trade and other payables	4,357.59	4,357.59	4,357.59	-	-	-
Other current financial liabilities	738.31	738.31	738.31	-	-	-

31 March 2017	Carrying amount	Contractual cash flows Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks (including interest)	216.95	216.95	216.95	-	-	-
Deposits received	366.91	366.91	92.33	227.99	46.59	-
Current borrowings	591.20	591.20	591.20	-	-	-
Trade and other payables	4,120.39	4,120.39	4,120.39	-	-	-
Other current financial liabilities	603.88	603.88	603.88	-	-	-

1 April 2016	Carrying amount	Contractual cash flows Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks (including interest)	1,478.19	1,478.19	1,265.63	212.56	-	-
Deposits received	321.56	321.56	69.02	49.60	202.94	-
Current borrowings	-	-	-	-	-	-
Loans from related parties	529.68	529.68	529.68	-	-	-
Trade and other payables	2,967.74	2,967.74	2,967.74	-	-	-
Other current financial liabilities	660.21	660.21	660.21	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, our exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 34 Financial instruments - Fair values and risk management (Contd.)

C. Financial risk management (Contd.)

Currency risk

The Company is exposed to currency risk on account of its trade receivables and payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company does not use any forward exchange contracts to hedge its currency risk.

Exposure to currency risk

The currency profile of financial assets and financial liabilities in Indian Rupee terms as at 31 March 2018, 31 March 2017 and 1 April 2016 are as below:

(₹ In Lakh)

31 March 2018	USD	EURO
Financial assets		
Trade and other receivables	428.42	75.87
Financial liabilities		
Trade and other payables	228.74	-
Net Exposure	199.68	75.87

(₹ In Lakh)

31 March 2017	USD	EURO
Financial assets		
Trade and other receivables	333.87	128.37
Financial liabilities		
Trade and other payables	242.59	-
Net Exposure	91.28	128.37

(₹ In Lakh)

1 April 2016	USD	EURO
Financial assets		
Trade and other receivables	250.10	224.17
Financial liabilities		
Trade and other payables	205.91	-
Net Exposure	44.19	224.17

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US Dollar/Euro at March 31 would have affected the measurement of financial instruments denominated in these currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
Effect in ₹	Strengthening	Weakening
31March 2018		
1% movement		
USD	2.00	(2.00)
EURO	0.76	(0.76)
	2.76	**(2.76)**

	Profit or loss	
Effect in ₹	Strengthening	Weakening
31 March 2017		
1% movement		
USD	0.91	(0.91)
EURO	1.28	(1.28)
	2.20	**(2.20)**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises mainly from borrowings made. Borrowing made at fixed rates exposes the Company to fair value interest rate risk whereas borrowing at variable rate exposes the company to cash flow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in Lakh)

	31 March 2018	31 March 2017	1 April 2016
Fixed-rate instruments			
Financial assets	765.90	685.79	541.11
Financial liabilities	(431.05)	(583.86)	(1,799.75)
	334.85	101.93	(1,258.64)
Variable-rate instruments			
Financial assets	-	-	-
Financial liabilities	(750.46)	(591.20)	-
	(750.46)	(591.20)	-
Total	**(415.61)**	(489.27)	(1,258.64)

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
₹	100 bp increase	100 bp decrease
31 March 2018		
Variable-rate instruments	(7.50)	7.50
Cash flow sensitivity (net)	(7.50)	7.50
31 March 2017		
Variable-rate instruments	(5.91)	5.91
Cash flow sensitivity (net)	(5.91)	5.91

Capital Disclosure

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

The Company's policy is to keep the ratio below 1.00. The Company's adjusted net debt to equity ratio at 31 March 2018 and 31 March 2017 was as follows:

(₹ In Lakh)

	31 March 2018	31 March 2017	1 April 2016
Non-current borrowings	-	-	212.56
Current Borrowings	750.46	808.15	1,795.31
Gross Debt			
Less : Cash and cash equivalent	145.01	45.58	18.45
Adjusted net debt	605.45	762.57	1,989.42
Total equity	6,742.04	5,828.94	4,421.69
Adjusted net debt to adjusted equity ratio	0.09	0.13	0.45

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 35 - Employee benefits

(i) Defined Contribution Plans:

The Company makes contributions, determined as a specific percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which is a defined contribution plan. The Company has no obligations other than to make the specified contibutions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Employees State Insurance for the year aggregated to ₹ 156.95 Lakh (31 March 2017: 123.16 Lakh; 1 April 2016: ₹ 73.53 Lakh)

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

A) The Company has a defined benefit gratuity plan. The plan provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation:
As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:
As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

Actuarial valuation of plan assets and the present valuation of the defined benefit obligation for gratuity are carried out on a yearly basis, the most recent valuation being carried out as on 31 March 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, are measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ In Lakh)

	31-Mar-18	31-Mar-17	01-Apr-16
Present value of obligations as at year end	71.01	54.52	43.66
Fair value of plan assets as at year end	-	-	-
Net liability recognised as at year end	71.01	54.52	43.66
Out of which:			
Non-current	59.16	53.69	42.45
Current	11.85	0.83	1.21

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

(₹ In Lakh)

	Defined benefit obligation		
	31-Mar-18	31-Mar-17	01-Apr-16
Opening balance	54.52	43.66	-
Included in profit or loss			-
Current service cost	26.70	21.62	-
Past service cost	1.67	-	-
Interest cost (income)	4.00	3.41	-
	86.89	**68.69**	**-**
Included in OCI			
Remeasurement loss (gain):			
Actuarial loss (gain) arising from:			
Demographic assumptions	(2.53)	-	-
Financial assumptions	0.30	4.06	-
Experience adjustment	(13.65)	(18.24)	-
	(15.88)	**(14.17)**	**-**
Benefits paid	-	-	-
Closing balance	71.01	54.52	-
	0.00	(0.00)	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31-Mar-18	31-Mar-17	01-Apr-16
Discount rate	7.30%	7.40%	-
Salary escalation rate	5.10%	5.10%	-
Withdrawal rates	35% at younger ages reducing to 5% at older ages	5% at younger ages reducing to 1% at older ages	
Mortality rate	Indian Assured Lives Mortality (2006-08) Table		

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows

Sample Rates of Indian Assured Lives Mortality:

Age (In years)	Rate p.a.
20	0.09%
30	0.11%
40	0.18%
50	0.49%
60	1.15%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2018		31 March 2017	
	Increase	**Decrease**	Increase	Decrease
Discount rate (0.5% movement)	(1.46)	1.53	(3.85)	4.30
Future salary growth (0.5% movement)	1.52	(1.46)	4.35	(4.05)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

iii. Expected future cash flows

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31March 2018					
Defined benefit obligations (Gratuity)	11.84	10.70	44.87	25.96	93.38
Total	**11.84**	**10.70**	**44.87**	**25.96**	**93.38**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2017					
Defined benefit obligations (Gratuity)	0.83	1.66	10.16	17.89	30.54
Total	**0.83**	**1.66**	**10.16**	**17.89**	**30.54**

Notes

1. Comparative numbers are not available for the year 2016 since 2017 is the first year when the Company's management has undertaken an actuarial valuation. The opening defined benefit obligation indicates the amount of liability taken over from Mandhana Industries Limited (MIL) in the scheme of demerger.

2. The discount rate is based on the prevailing market yields on Indian Government securities as at the balance sheet date for the estimated term of the obligations.

3. The Company does not have a carry forward or an encashment policy for compensated absences and hence no liability has been accrued in the financial statements.

Note 36 - Related Party Disclosures

A. List of related parties and relationships

Key Management Personnel and their Relatives	Relationship
Shri Priyavrat Mandhana	Director
Smt. Sangeeta M. Mandhana	Director
Shri Sachin Jaju	Director
Shri Purushottam C. Mandhana	Father of Shri Priyavrat Mandhana (Director upto 8 August 2016)
Shri Biharilal C. Mandhana	Father in Law of Smt. Sangeeta M. Mandhana (Director upto 8 August 2016)
Shri Manish B. Mandhana	Chief Executive Officer
Smt. Sudha B. Mandhana	Mother in Law of Smt. Sangeeta M. Mandhana
Ms. Preeti P. Mandhana	Sister of Shri Priyavrat Mandhana
Smt. Prema P. Mandhana	Mother of Shri Priyavrat Mandhana
Smt. Priti P. Mandhana	Wife of Shri Priyavrat Mandhana
Mr. Virendra Varma	Company Secretary
Mr. Pradip Dubhashi	Non-Executive and Independent Chairman
Mr. Ramnath Pradeep	Non-Executive and Independent Director
Mr. Kiran Vaidya	Non-Executive and Independent Director
Mr. Hemant Gupta	Chief Financial Officer & Chief Operating Officer
Entities over which Key Management	Mandhana Industries Limited
personnel and their relatives are able	Golden Seams Industries Pvt Ltd
to exercise significant influence	Mandhana WD Limited
	Mahan Synthetics Textiles Private Limited
	Balaji Corporation

There is no Related Party over which the Company exercises its control

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 36 - Related Party Disclosures (Contd.)

B. Related party relationships, transactions and balances

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(₹ In Lakh)

Particulars	Transaction values for the year ended 31 March		Balances outstanding as at 31 March		
	2018	2017	**2018**	2017	2016
Purchase of good and services					
Enities over which management personnel and their relatives exercise significant influence	126.22	626.53	-	177.23	470.55
Purchase of property, plant and equipment					
Enities over which management personnel and their relatives exercise significant influence	150.00	-	-	-	-
Repayment of loans taken					
Entities over which management and their relatives exercise significant influence	-	507.18	-	-	507.18
Key managerial personnel	-	22.50	-	-	22.50
Compensation paid to key Managerial personnel					
Salary	309.32	116.75	16.17	2.02	-
Recoverable from Directors	-	-	26.13	-	-
Post employee gratuity and medical benefits	2.37	0.86	3.23	0.86	-
Sitting Fees	18.53	16.39	-	-	-
Deposit for rental premises					
Entities over which management and their relatives exercise significant influence	-	18.13	906.67	906.67	888.55
Lease rent paid					
To Entities over which management and their relatives exercise significant influence	47.04	55.33	-	0.88	0.87
To Key managerial personnel	56.68	54.61	0.09	3.37	3.23
Recovery of expenses					
To Entities over which management and their relatives exercise significant influence	6.25	43.66	-	-	-
Reimbursement of expenses					
To Entities over which management and their relatives exercise significant influence	51.43	332.23	-	-	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made in the ordinary course of business on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Details of compensation to key managerial personnel has been provided in table above. The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Note 37 - Note on demerger

Salient features of the scheme of demerger

Mandhana Industries Limited ('Transferor company') is a public listed company incorporated under the Companies Act, 1956 on 25 July 1984. It is engaged in business of textile processes like calendering, sizing, dyeing, bleaching, shrinking finishing, mercerzing, texturing printing stamping and other textile processes of yarn, threads, woven / non woven fabrics, hosiery and aparels made from cotton, jute silk nylon wool and etc. It also had retail business for which it held exclusive license for manufacturing and merchandising of products under the brand ""Being Human"".

The demerger is intended to drive simplification by separating both Companies on to a such that the Company gets strategic flexibility to build a vibrant platform, enable a dedicated management focus and to accelarate growth of retail business and to have access to various sources of funds for rapid business growth.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

The appointed date for the purpose of this scheme was 1 April 2014 and effective date was 1 April 2016.

In accordance with the approved scheme, the accounting for this demerger was done in accordance with the pooling of interest method as prescribed under the previous GAAP.

Accordingly, the Company accounted for the Scheme in its books of accounts with effect from the appointed date i.e. 1 April 2014 as under –

(i) With effect from the appointed date, all the assets and liabilities appearing in the books of accounts of the Transferor Company were transferred to and vested in the Company and have been recorded in the financial statement of the Company at their respective book values.

(ii) In consideration of the transfer of the business as a going concern, the Company has issued 2 fully paid up equity shares of ₹10 each for every 3 fully paid up equity shares of ₹10 each of the Transferor Company to the equity shareholders of the Transferor Company.

(iii) Accordingly, 22,082,609 equity shares of the Company of ₹ 10 each fully paid up are issued to the shareholders of the Transferor Company.

(iv) The initial share capital of 50,000 equity share of ₹ 10 each issued by the Company stands cancelled. Further, on 14 December 2016, the Company got its shares listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

(v) The value of assets and liabilities of the Transferor Company amalgamated with the Company is as under:
(Below table is as per previous GAAP)

(₹ In Lakh)

Particulars	Amount
Non-current assets	
Tangible fixed assets (including Capital work in progress)	1,833.23
Long-term loans and advances	1,308.28
Current Assets	
Inventories	1,741.89
Trade receivables	2,359.84
Cash and bank balances	282.17
Short-term loans and advances	234.42
Sub total	**7,759.83**
Non-current liabilities	
Long-term borrowings	3,212.56
Long-term provisions	-
Current Liabilities	
Short-term borrowings	-
Trade payables	628.03
Other current liabilities	1,710.98
Short-term provisions	-
Sub total	**5,551.57**
Total Net Assets as at 1 April 2014	2,208.26
Less: Reserves	-
General reserve	-
Surplus in statement of Profit and loss	-
Balance in share capital	**2,208.26**

(vi) The transactions of the business of MIL with effect from 1 April 2014 have been incorporated in the Company's accounts on the basis of the audited Financial Statements of the business as at 31 March 2014, as audited by M/s. Vishal H Shah & Associates, Chartered Accountants, the statutory auditors of the Mandhana Industries Ltd.

(vii) The amount of share capital of the Transferor company is ₹ 2,208.26 Lakh as stated in note 3.e.iv above. The consideration for the demerger being the value of the new equity shares issued and allotted by the Company is ₹ 2,208 .26 Lakh as stated in note 3.e.iii above. There is no difference between the two, and hence no Goodwill or Capital Reserve has arisen on account of said demerger.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 38 - Dues to micro, small and medium enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2002, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, the following are the amounts due to Micro, Small and Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as set out in the following disclosure:

(₹ In Lakh)

Particulars	31-Mar-18	31-Mar-17
Principal amount remaining unpaid to any supplier at the year end	263.38	826.98
Interest due on the above mentioned principal amount remaining unpaid to any supplier at the year end	56.32	47.64
Amount of the interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day	56.32	47.64
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act, 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	-	-

Note 39 - Operating lease obligations

The Company has entered in to non-cancelable operating lease. The tenure of such agreements ranges from thirty six month to one hundred eight months. There are no purchase option in these agreements. Lease agreements provide the option to Company to renew the lease period at the end of lease period. Future minimum lease payments under non-cancellable operating leases comprise:

(₹ In Lakh)

Particulars	31-Mar-18	31-Mar-17
Not later than one year	1,394.93	1,481.44
Later than one year and not later than five year'	3,383.87	5,373.04
later than five year	1,131.12	685.08
Total	**5,909.93**	**7,539.55**
Operating lease rentals debited to Statement of Profit and Loss (net)	1,441.92	1,686.97
Operating lease capitalized to Property, Plant & Equipment	**NIL**	**NIL**

Note 40 - Details of payment to auditors

(₹ In Lakh)

Particulars	31-Mar-18	31-Mar-17
Statutory audit fees*	19.00	14.08
Out of pocket expense	0.97	0.33
Total	**19.97**	**14.41**

Excludes Goods & Service tax /Service tax.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 41- Corporate Social Responsibility

The Company has spent ₹4.60 Lakh (previous year : Nil) towards various schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013. The details are as under:

a) Gross amount required to be spent by the Company during the year is ₹ 63.99 Lakh (31 March 2017: ₹Nil)

b) Amount spent during the year on:

(₹ In Lakh)

Particulars	31-Mar-18			31-Mar-17		
	In Cash	**Yet to be paid in Cash**	**Total**	In Cash	Yet to be paid in Cash	Total
Education & Food for the children from economically backward families	4.60	59.39	63.99	-	42.62	42.62

The CSR Committee (the 'Committee') of the Company was constituted by the Board of Directors (the 'Board') at their meeting held on 7 Oct 2016. The Committee has finalised a CSR policy; The Company is dedicated towards its social responsibility and aims to contribute to society by supporting and enabling the social and economic development of local communities in India. In alignment with our vision and guiding principles, through our CSR initiatives we aim to address India's most pressing challenges related to education and health. The CSR Policy of the Company sets out the Company's commitment and approach towards Corporate Social Responsibility of improving the quality of life of the communities it serves. Our philosophy is interwoven in all the three thrust areas, i.e. Education, Employability and Entrepreneurship – the Company endeavours to enhance employability of youth and women.The initial CSR focus is driven by two broad themes, i.e. Educational initiatives for underprivileged, Employability / skill development (for underprivileged youth), for economic progress and social commitment. This has been recommended to the Board.

Note 42- Contingent liabilitites and commitments

i) The Company does not have any contingent liability (31 March,2017: NIL; 1 April 2016: NIL) which it has not disclosed for in the books of accounts.

ii) The estimated amount of contracts remaining to be executed on capital account to the extent not provided for is ₹40.01 Lakh (31 March 2017: ₹ 30.05 Lakh)

- Transfer pricing

The Company's management is of the opinion that its domestic transactions are at arm's length as per the independent accountants report for the year ended 31 March 2017.

Management continues to believe that its domestic transactions post 31 March 2017 are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

Note 43- Recent accounting pronouncements

Ind AS 115- Revenue from Contract with Customers

On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize 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. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Note 44- Segmental information

For management purposes, the company is organised into business units based on how reporting is done to the Chief Operating Decision Maker (CODM) in accordance with Ind AS 108. The Company has only one segment i.e. Garments which comprise almost 98% of the total business activities. Hence segment reporting is not applicable to the Company.

Geographical location wise segment data

The operations of the Company are in India and all assets and liabilities (except certain receivables and payables) are located in India. An analysis of the segment revenue and segment assets by geographical market is given below :

(₹ In Lakh)

Particulars	31March 2018				31 March 2017			
	Domestic	**Exports**	**Unallocable**	**Total**	Domestic	Exports	Unallocable	Total
External revenues	22,574.03	3,370.91	-	25,944.94	22,568.94	3,389.86	-	25,958.80
Other allocable income	72.33	56.44	-	128.77	145.56	31.82	-	177.38
Total Revenues	22,646.36	3,427.35	-	26,073.71	22,714.50	3,421.68	-	26,136.18
Less: Elimination	-	-	-	-	-	-	-	-
Net revenue	22,646.36	3,427.35	-	26,073.71	22,714.50	3,421.68	-	26,136.18
Segment result	1,226.44	501.94		1,728.38	1,912.58	609.66	-	2,522.24
Other non allocable income/ (expenses)								
Finance cost				(177.24)	-	-	-	(240.10)
Provision for tax				(648.42)	-	-	-	(884.16)
Net profit				902.73				1,397.98
Other information								
Total Segment assets	7,824.55	670.17	2,236.12	10,730.84	7,753.51	535.34	2,359.22	10,648.07
Non-current assets other than financial instruments and deferred tax assets	2,312.75	-	389.67	2,702.42	2,367.54	-	295.11	2,662.65
Total assets	10,137.30	670.17	2,625.79	13,433.26	10,121.05	535.34	2,654.33	13,310.72
Segment liabilities	987.82	-	5,703.40	6,691.22	899.62	-	6,582.16	7,481.78

(B) Notes

i) Accounting policies: Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

ii) Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of trade receivables, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment assets and liabilities do not include those relating to income taxes.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 45- Transition to Ind AS:

For the purposes of reporting as set out in Note 1, we have transitioned our basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the "transition date"). In preparing our opening Ind AS balance sheet, we have adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS:

Ind AS optional exemptions

Business Combination

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts/ arrangements.

Ind AS mandatory exceptions

Estimates

An Company's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 45- Transition to Ind AS: (Contd.)

B. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cashflows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS:

Reconciliation of equity as at 1 April, 2016

(₹ In Lakh)

	Footnote ref.	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		2,421.05	-	2,421.05
Capital work-in-progress		-	-	-
Intangible assets		46.80	-	46.80
Financial Assets				
(i) Non-current loans	1	-	222.93	222.93
Deferred tax assets (net)	4	-	990.49	990.49
Other non-current assets	1	1,555.88	(1,462.82)	93.06
Non-current tax assets		-	40.24	40.24
Total non current assets		**4,023.73**	**(209.16)**	**3,814.57**
Current assets				
Inventories	2	3,999.57	1,678.68	5,678.25
Financial Assets				
(i) Trade receivables	2	6,609.99	(4,647.74)	1,962.25
(ii) Cash and cash equivalents		18.45	-	18.45
(iii) Current loans	1	-	1,208.04	1,208.04
(iv) Other current financial assets		49.37	-	49.37
Other current assets	1	80.12	29.55	109.67
Total current assets		**10,757.50**	**(1,731.47)**	**9,026.03**
TOTAL ASSETS		**14,781.23**	**(1,940.63)**	**12,840.60**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		5.00	-	5.00
(b) Other equity				
Equity component of financial instruments		-	-	-
Retained earnings	1,2,4	4,149.73	(1,941.30)	2,208.43
Other reserves		2,208.26	-	2,208.26
Total equity		**6,362.99**	**(1,941.30)**	**4,421.69**
Non current liabilities				
Financial liabilities				
(i) Non-current borrowings		212.56	-	212.56
(ii) Other non-current financial liabilities	1	-	252.54	252.54
Deferred tax liabilities(net)		36.91	(36.91)	-
Other non-current liabilities	1	895.98	(854.54)	41.44
Total non current liabilities		**1,145.45**	**(638.91)**	**506.54**
Current liabilities				
Financial liabilities				
(i) Current borrowings		529.68	-	529.68
(ii) Trade payables		2,967.74	-	2,967.74
(iii) Other current financial liabilities	1	1,428.36	566.50	1,994.86
Other current liabilities	1	149.63	32.84	182.47
Liabilities for current tax(net)		2,197.38	40.24	2,237.62
Total current liabilities		**7,272.79**	**639.58**	**7,912.37**
Total liabilities		**8,418.24**	**0.67**	**8,418.91**
Total Equity and Liabilities		**14,781.23**	**(1,940.63)**	**12,840.60**

* Certain Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 45- Transition to Ind AS: (Contd.)

B. Reconciliation between previous GAAP and Ind AS (Contd.)

Reconciliation of equity as at 31 March, 2017

(₹ In Lakh)

	Footnote ref.	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		2,442.61	-	2,442.61
Capital work-in-progress		4.06	-	4.06
Intangible assets		43.45	-	43.45
Financial Assets				
(i) Non-current loans	1	-	190.48	190.48
Deferred tax assets (net)	4	-	1,341.43	1,341.43
Other non-current assets	1	1,731.79	(1,623.17)	108.62
Non-current tax assets		-	63.91	63.91
Total non current assets		**4,221.91**	**(27.35)**	**4,194.56**
Current Assets				
Inventories	2	3,940.30	2,191.68	6,131.98
Financial Assets				
(i) Trade receivables	2	7,442.97	(6,071.87)	1,371.10
(ii) Cash and cash equivalents		45.58	-	45.58
(iii) Current loans	1	-	1,403.28	1,403.28
(iv) Other current financial assets		48.25	46.17	94.42
Other current assets	1	89.06	(19.26)	69.80
Total current assets		**11,566.16**	**(2,450.00)**	**9,116.16**
TOTAL ASSETS		**15,788.07**	**(2,477.35)**	**13,310.72**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		2,208.26	-	2,208.26
(b) Other equity				
Retained earnings	1,2,4	6,151.84	(2,536.16)	3,615.68
Other reserves		5.00	-	5.00
Total equity		**8,365.10**	**(2,536.16)**	**5,828.94**
Non current liabilities				
Financial liabilities				
(i) Borrowings	1	-	-	-
(ii) Other non-current financial liabilities		886.80	(612.22)	274.58
Provisions		53.69	-	53.69
Deferred tax liabilities(net)	1	0.79	(0.79)	-
Other non-current liabilities		-	18.24	18.24
Total non current liabilities		**941.28**	**(594.77)**	**346.51**
Current liabilities				
Financial liabilities				
(i) Current borrowings		591.20	-	591.20
(ii) Trade payables		4,120.39	-	4,120.39
(iii) Other current financial liabilities	1	-	913.16	913.16
Other current liabilities	1	471.80	(323.49)	148.31
Provisions		-	0.83	0.83
Liabilities for current tax(net)		1,298.30	63.08	1,361.38
Total current liabilities		**6,481.69**	**653.58**	**7,135.27**
Total liabilities		**7,422.97**	**58.81**	**7,481.78**
Total Equity and Liabilities		15,788.07	(2,477.35)	13,310.72

* Certain Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 45- Transition to Ind AS: (Contd.)

B. Reconciliation between previous GAAP and Ind AS (Contd.)

Reconciliation of profit or loss for the year ended 31 March 2017

(₹ In Lakh)

	Footnote ref.	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
I. Revenue from Operations (Gross)		21,830.17	4,128.63	25,958.80
II. Other income		105.43	71.95	177.38
III. Total Income (I+II)		**21,935.60**	**4,200.58**	**26,136.18**
IV. Expenses				
Purchase of Traded Goods		10,836.41	-	10,836.41
Changes in inventories of finished goods, work-in-progress and stock-in-trade		59.27	(513.00)	(453.73)
Employee Benefits Expenses		2,001.63	14.17	2,015.80
Finance costs		472.36	(232.26)	240.10
Depreciation and Amortisation Expenses		340.02	-	340.02
Other Expenses		5,019.92	5,855.52	10,875.44
Total Expenses (IV)		**18,729.61**	**5,124.43**	**23,854.04**
V. Profit before Tax		**3,205.99**	**(923.85)**	**2,282.14**
VIII. Tax expense:				
1. Current Tax		1,240.00	-	1,240.00
2. Deferred Tax		(36.12)	(319.72)	(355.84)
XIII. Profit for the period		**2,002.11**	**(604.13)**	**1,397.98**
XIV. Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss		-	14.17	14.17
(ii) Income tax related to items that will not be reclassified to profit or loss		-	(4.90)	(4.90)
		-	9.27	9.27
XV. Total comprehensive income for the year		**2,002.11**	**(594.86)**	**1,407.25**

First time adoption of IND AS

Reconciliation of net worth as at March 31, 2017

(₹ In Lakh)

Particulars	Footnote ref.	As on 1 April 2016	As on 31 March 2017
Equity under IGAAP		6,362.99	8,365.10
Summary of Ind AS adjustments			
For discounting of security deposits paid to mall management	1	(2.30)	(2.49)
For discounting of security deposits received from franchisor	1	2.66	4.31
For change in timing of recognition of revenue for sale or return transactions	2	(2,969.06)	(3,880.19)
For deferred tax impact on above adjustments		1,027.41	1,342.21
Total Ind AS adjustments		**(1,941.30)**	**(2,536.16)**
Equity under Ind AS		**4,421.69**	**5,828.94**

Reconciliation of Comprehensive income for the year ended on 31 March 2017

(₹ In Lakh)

Particulars	Footnote ref.	As on 31 March 2017
Net profit reported under IGAAP		2,002.11
Summary of Ind AS adjustments		
For discounting of security deposits paid to mall management		(0.19)
For discounting of security deposits received from franchisor		1.65
For change in timing of recognition of revenue for sale or return transactions		(911.13)
For deferred tax impact on above adjustments		314.80
Total Ind AS adjustments		**(594.86)**
Comprehensive income under Ind AS		**1,407.25**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2018

Note 45- Transition to Ind AS: (Contd.)

Notes to the reconciliation:

1 Security Deposit :
Under Indian GAAP, interest free security deposits whether paid for exclusive brand outlets or received from franchisors were recognised at transaction price. Under IND AS, these security deposit should be recognised at its present value using an appropriate discount rate. The difference between the present value and the amount paid shall be recognised as a prepaid rent or advance income respectively which shall be then recognised as rent expense or other income respectively over the term of the base agreement.

2 Timing of recognition of revenue:
Under Ind AS, revenue generated on sales made to certain distribution channels like franchisors, shop in shop and e-commerce, which are on sale-or-return terms, are recognised when sale is made to end customer by the respective disribution channel. Hence revenue has been deferred for such sales.

3 Employee benefits :
Both under Indian GAAP and Ind-AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

4 Deferred tax
Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences arising due to Ind AS adjustments made above.

46 - Net debt disclosure

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

(₹ In Lakh)

Particulars	1 April 2017	Cash flows	Non-Cash changes			31 March 2018
			Acquisition	Foreign exchange movement	Fair value changes	
Current borrowings						
Cash credit facility from bank	591.20	159.26	-	-	-	750.46
Total liabilities from financing activities	**591.20**	**159.26**	**-**	**-**	**-**	**750.46**

47 - There are no long-term contracts (including derivative contract) that are outstanding at the year end,

48 - The previous year figures have been regrouped and reclassified whereever necessary to comply with requirements of IND AS.

As per our report of even date attached.
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rishabh Kumar
Partner
Membership No: 402877

Mumbai
28 May 2018

For and on behalf of the Board of Directors of
The Mandhana Retail Ventures Limited
(formerly known as Mandhana Retail Ventures Limited)
CIN: L52390MH2011PLC213349

Sangeeta M. Mandhana
Managing Director
DIN: 06934972

Hemant Gupta
Chief Financial Officer
Membership No: 501212

Priyavrat Mandhana
Executive Director
DIN: 02446722

Virendra Varma
Company Secretary
Membership No: 30786

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Disclaimer

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

MRVL
MANDHANA RETAIL VENTURES LTD

THE MANDHANA RETAIL VENTURES LIMITED

(formerly known as Mandhana Retail Ventures Limited)

CIN: L52390MH2011PLC213349

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