

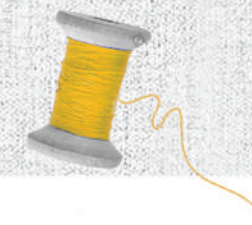


INDIA'S LEADING
CONTEMPORARY
WOMEN'S
WEAR PLATFORM

TCNS

CLOTHING CO. LTD

w aurelia  WISHFUL  elleven



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Please find online version of this report at [<https://wforwoman.com/content/investor-relations>].

Disclaimer

This document contains statements about expected future events and financials of TCNS Clothing Co. Limited, which are forward-looking.

By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of this Annual Report.

INVESTOR INFORMATION

Market Capitalisation as at March 31, 2020	:	₹ 2019.86 crores
CIN	:	L99999DL1997PLC090978
BSE Code	:	541700
NSE Symbol	:	TCNSBRANDS
Bloomberg Code	:	TCNSBR:IN
AGM Date	:	24 SEPTEMBER 2020
AGM Venue	:	Corporate Office (Through VC/OVCM)

INTRODUCTION TO TCNS

The Journey Continues

2001
THE BEGINNING

A thought that would change the Indian fashion landscape forever.

2002
THE PERFECT FIT DECODED

Path-breaking study of the sizing of Indian women, First Brand to offer 6 sizes.

2003
THE ICONIC KNIT CHURIDAR

Combining functionality & fashion, knit churidar revolutionised this category.

2006
WISHFUL

Marks an era of understated elegance in occasion wear.

2009
AURELIA BRAND INCEPTION

Birth of the ethnic jewel for suave women.

2011
FASHION AT FINGERTIPS

Amongst the first Brands to have its own ecommerce portal.

2012
REINTERPRETING FUSION WEAR

Palazzos and slim pants added an edge to fashion wear.

2013
THE FIRST 100
W Opens 100 stores across 50 cities.

2015
GOES INTERNATIONAL

Opens stores in Mauritius and Srilanka.

2016
INVESTMENT BY TA ASSOCIATES

Largest PE deal in the category with an investment of \$140 million by TA Associates.

2020
LAUNCHED FOOTAPPAREL
W forayed into the footwear market



2020
BRAND ELLEVEN LAUNCHED
First exclusive brand store of eleven opened



2019
500+ EXCLUSIVE STORES & OMNI FORWARD

500+ Stores across the country. Omni business launched.

2018
TCNS LISTED
TCNS listed on NSE/BSE 1st in the category to be listed.

2017
FIRST WISHFUL STORE
Expands brand by opening first exclusive brand store.



INDIA'S LEADING WOMEN'S BRANDED APPAREL COMPANY

Platform of Brands

With an aim to provide fashion in a modern retail environment to the Indian woman, the company set up its first W store in Delhi in FY 2001-02. The brand grew out of contemporary Indian woman's need for innovative ready to wear that combines fashion and functionality.

We have come a long way in less than 2 decades from those initial days to becoming the leading exclusive women's ethnic/fusion apparel company in the country.

Incubating and scaling up homegrown brands, we now have a portfolio of 4 segment defining brands, each having distinct positioning straddling across fashion sensibilities and value chain.

We have introduced our fourth brand 'elleven' this year in the coordinates category.

'W' is a Premium Fusion Wear Brand that essentially merges Indian and Western sensibility with an emphasis on distinctive design and styling. This brand is targeted primarily at the Indian woman's work, casual and light occasion wear requirements.



'Aurelia' is a contemporary ethnic wear brand targeted at a broader segment looking for a mix of great design, fit and quality.



'Wishful' is a premium occasion wear brand, with elegant designs catering to women's apparel requirements for evening wear and occasions.



'elleven' is a coordinates brand with a brand promise to be the ultimate destination for bottoms and drapes choices.



SHARE OF BRANDS (%)



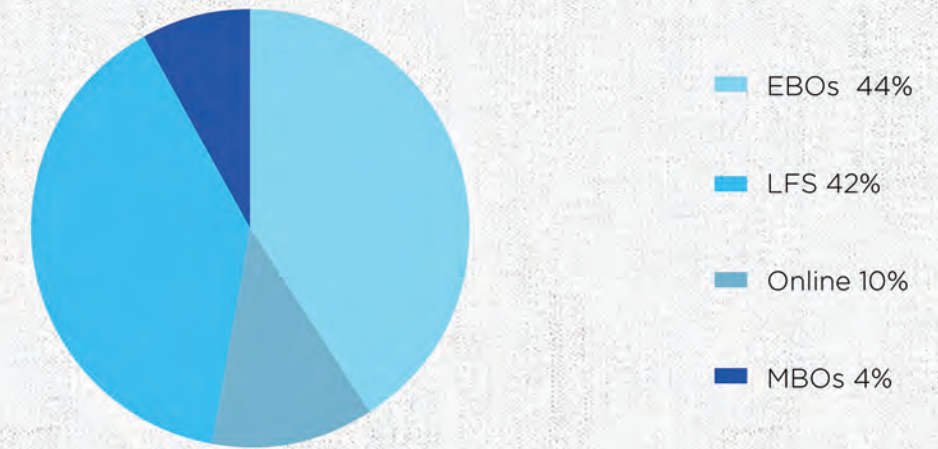
- W 58%
- Aurelia 35%
- Wishful 7%

Proven Product & Retail Model Across Channels & Geographies

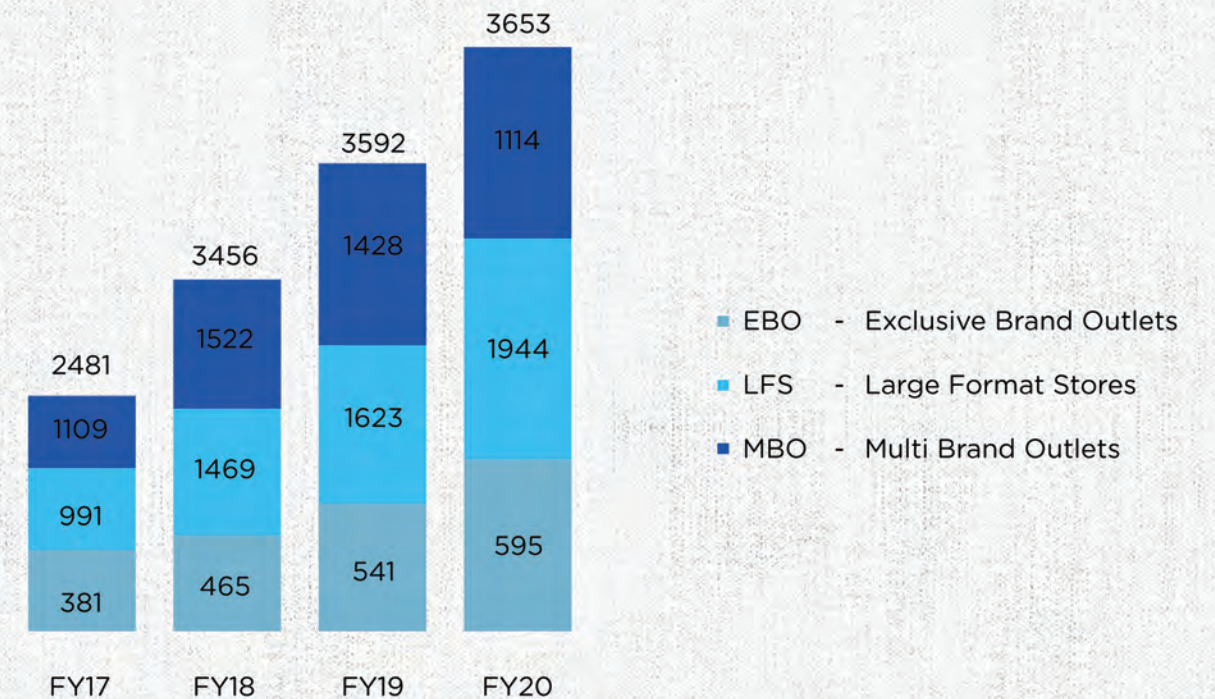
On the back of a proven product and retail model, we have been able to establish a strong presence across geographies and channels, in a fragmented industry that has serious barriers to scaling up.

Every year we create 2500+ styles which are available at 3500+ point of sales across India and International markets.

Revenue Share Across Channels



Distribution Network



- EBO - Exclusive Brand Outlets
- LFS - Large Format Stores
- MBO - Multi Brand Outlets

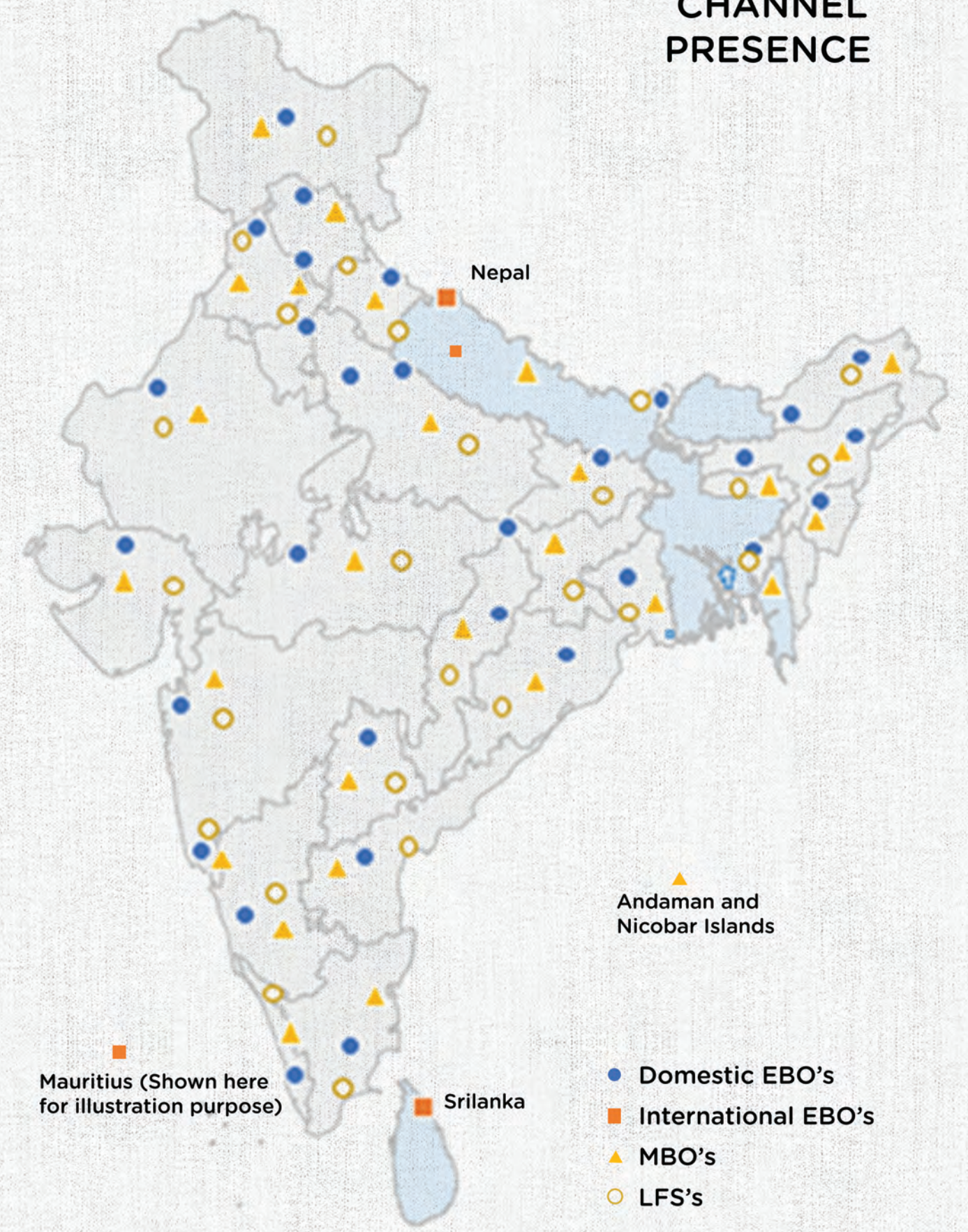
ACROSS GEOGRAPHIES





First Exclusive Store Launched in Ahmedabad

PAN-INDIA MULTI CHANNEL PRESENCE



INSTITUTIONALISED DESIGN PROCESS



The strong team of 40+ designers at TCNS Clothing bridges commerce and creativity seamlessly. Every product created here goes through institutionalised design processes including complete research with trend forecasting, concept development, fabric and textile design. The styling moves ahead through sample development and customer feedback. All these assist in developing successful products which imbibe fashion and functionality.

CONCEPT TO CREATION

25+

New concepts/stories every season across brands

2500+

Styles in a year across brands

Every 2-3 weeks

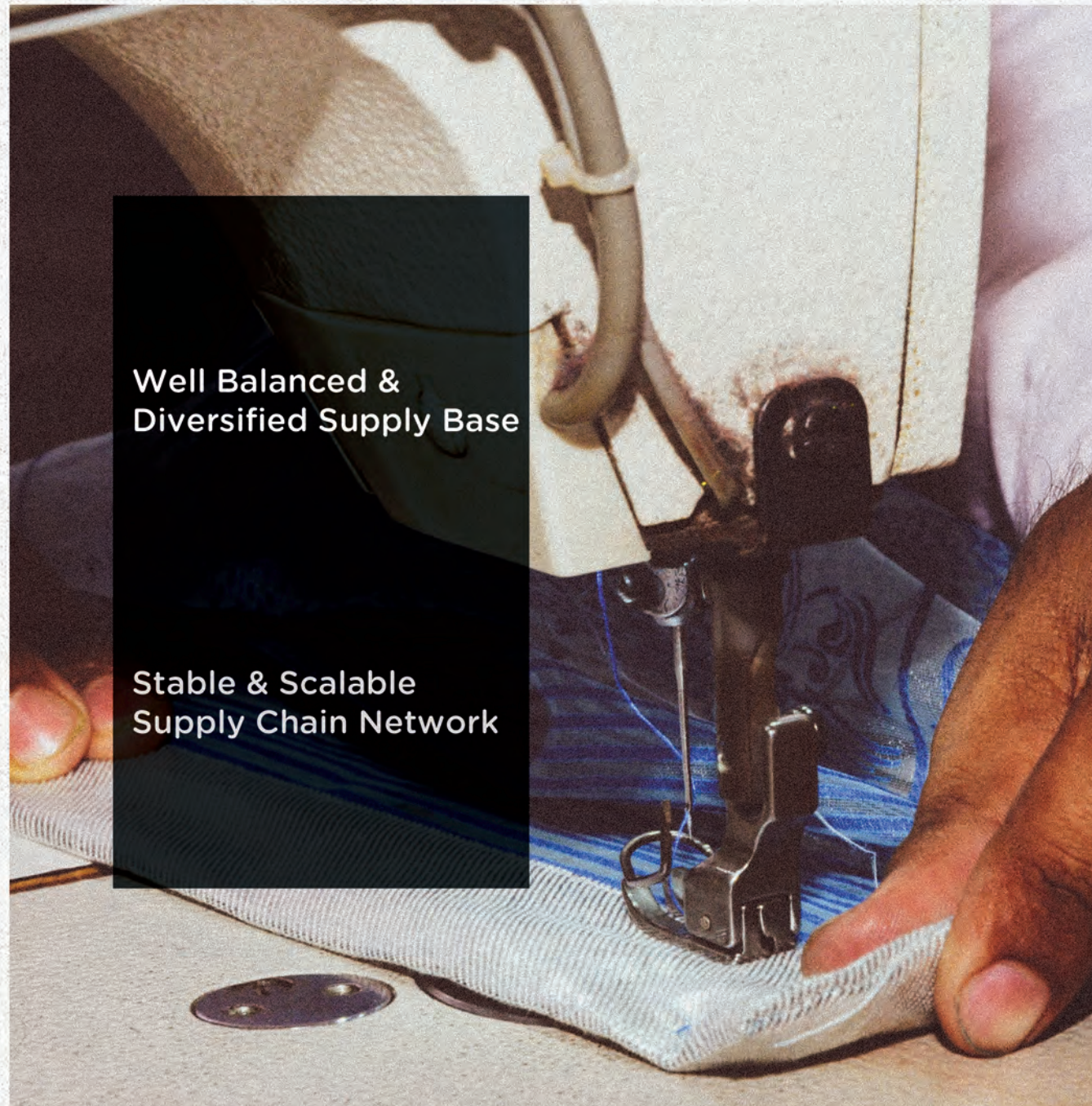
New styles launched in stores

AGILE SUPPLY CHAIN

Creating women's Indian wear on a large scale is a complex task which includes a robust, flexible and extensive supply chain base.

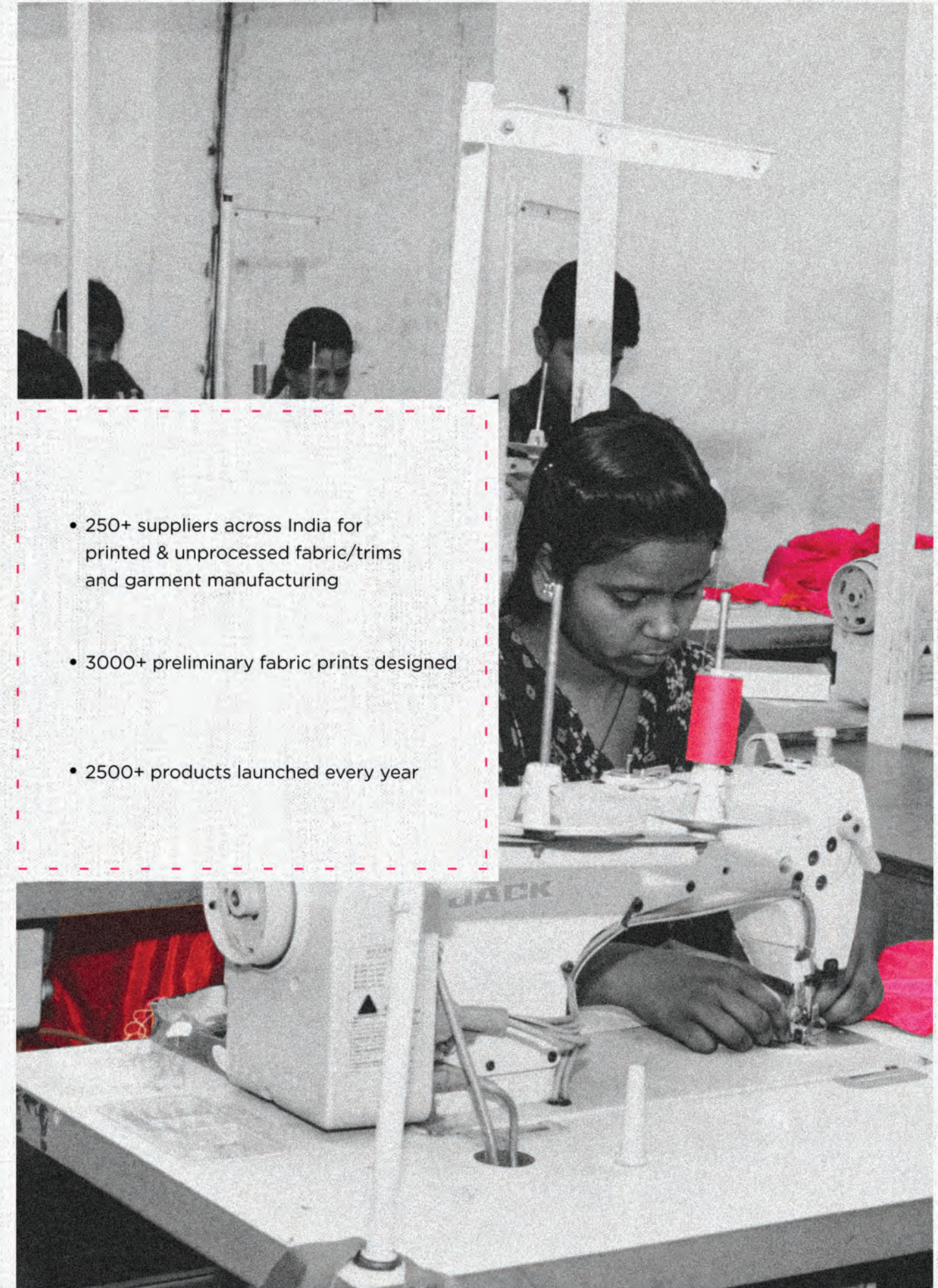
We work with over 250 suppliers ranging from artisan groups to large mills, enabling a highly differentiated product every single time.

We create more than 3000+ unique fabrics and 2500+ unique styles across brands fulfilling multiple customer requirements.



Well Balanced &
Diversified Supply Base

Stable & Scalable
Supply Chain Network



- 250+ suppliers across India for printed & unprocessed fabric/trims and garment manufacturing
- 3000+ preliminary fabric prints designed
- 2500+ products launched every year



I AM AWAKE
TO FASHION. TO THE FUTURE.



aurelia

www.shopforaurelia.com

Be your
own beautiful.

-Disha Patani-



 **WISHFUL**
SPRING SUMMER 20



The ultimate
bottom wear destination

CHAIRMAN'S STATEMENT



Dear Shareholders,

As the nation continues to mitigate unprecedented circumstances due to novel coronavirus and its far-reaching implications, I wish and pray for good health and safety for you and your families.

I would like to take this opportunity to show my immense gratitude to all our COVID warriors' - doctors, health workers, police personnel, sanitation workers and everyone in the essential services sector - for their continuous efforts in keeping us safe.

In our endeavour to battle the pandemic, our first priority was the continuity of business while ensuring employee safety. We took proactive steps facilitating work from home for all employees. We continued engaging with the internal and external stakeholders through remote ways, leveraged social media platforms to generate new and interactive content for both employees and customers.

As the gradual process for unlocking across the country has started, we are taking every precaution to ensure a smooth yet safe shopping experience for our customers. Keeping in mind the guidelines, we have opened our stores and in addition to the protocols set by the administration, have also rolled out an internal Standard Operating Procedure (SOP) to ensure the well-being of both employees & customers. We are ramping up our digital marketplace to help cater to the needs of the customer round the clock, with the ease of access and offerings from the comfort of their homes.

At times like these, TCNS Clothing is also committed through various initiatives, including the donation of 75,000 masks and 100,000 drapes to various health agencies & NGOs helping India recover from the Covid-19 pandemic.

As an evolving situation, COVID pandemic has impacted economies, lives and livelihood all over the world. There is no mistaking the challenge at hand, however, it has also taught us some important lessons on business continuity amid uncertainty. These difficult times drive us to reimagine, recreate and rebuild strategies in the current context while being future ready.

I would like to take this opportunity to extend my gratitude to our management team, staff and business associates for their commitment and contribution towards TCNS Clothing. I would also like to show appreciation for my fellow Directors for providing guidance amidst these tough operating environment. Last but not the least, my heartfelt gratitude to all our stakeholders for all their support.

We are committed to a long-term strategy and continue to invest in people, brands, and businesses while enhancing our stakeholder's value.

Best Wishes,
Onkar Singh Pasricha
Chairman

**“We are in this together-
and we will get through
this together”**

-ANTONIO GUTERRES

MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

First of all, we hope and pray for the safety and well-being of you and your loved ones. Last few months have been tough for everyone and all of us, both at work and in personal lives, would have discovered a whole new way of living.

COVID-19 pandemic, a black swan event, though occurred at the end of the financial year, has overshadowed the rest of the period. Our revenues remained flat at 1,149 crs. on the backdrop of COVID-19 impact in Q4. In terms of retail expansion, we had a good year adding 54 exclusive brand outlets and 321 large format doors. As seen across the industry, the event had a significant impact on profitability metrics. While the situation continues to improve, these uncertainties, challenges and impact would continue to persist in the near future. Hence, it is imperative for every organisation to adapt to new realities and ever-evolving environment.



Safety and well-being of all our stakeholders have been the top priority and we have taken comprehensive steps to ensure the same. The business had come to a standstill during the lockdown period. However, we continued to engage with our employees, customers and all other stakeholders ensuring a strong business continuity as much as possible. The operations have started to come to life starting early May and we continue to be on a progressive recovery curve since then. However, frequent disruptions continue to affect the business and it will take some time to get to normalcy. While there is little that one can do about the external situation, there is a lot that is being done to create a stronger organisation in terms of sustainability, infrastructure, processes and capabilities.

Our approach to navigate this situation is clearly laid out. We strive to retain our ability to scale up while preserving the strength of the balance sheet. We have a five pronged approach:

- Control costs by renegotiating leases, service contracts, rationalising resource requirements and optimizing spends.
- Conserve cash by optimising inventory, redeployment of existing stocks, scaling back short term CAPEX plans and reducing costs.
- Engage our customers by taking digital first approach, direct marketing route and going hyperlocal.
- Double up on Technology by scaling up our omnichannel capabilities, marketplace operations and enhancing operational efficiencies.
- Look beyond immediate challenges and identify growth opportunities.

Concrete steps have been taken on all these fronts and we are seeing meaningful results emerging out of all these initiatives.

While the pandemic has forced all of us to focus disproportionately at short term objectives, we believe it is imperative to keep working towards the long term vision. Our industry is still in infancy and is extremely unorganised and fragmented with very few scaled up players. Today, your company has the balance sheet strength to sustain a long drawn fight against this pandemic and for us, it is just not a fight for survival, it is also an opportunity to reinvent ourselves and prepare the runway for long term

growth. There is transformational work happening in multiple areas which will fundamentally change the way of doing business for us and add new growth capabilities. We would like to share three key initiatives here.

We are on our journey of becoming a truly Omni channel business. Today, most of the online platforms are tapping offline retail presence and vice versa. The consumer is not compartmentalising online and offline as businesses do. She wants a seamless, consistent omni experience and we are ideally placed to do that with our strong online and offline presence. We are now able to offer our entire catalogue to consumers across all third-party and own online channels by building D2C capabilities from a common pool of inventory. While establishing this most inventory efficient model, we have been able to ensure world-class experience through streamlined operations which have the highest certification from partners. We are now embarking on the journey of creating even more evolved and complex use cases for the consumer such as Buy Online & Pick In Store and Buy Online & Return In Store.

Uncertain times call for greater agility and flexibility in demand forecasting methodology and supply chain spontaneity. We have always had a strong supply chain and vendor network but the speed of response could have been better. We had already started building a quick three week replenishment cycle for a meaningful part of the range which got launched in the last couple of months before COVID-19. It is indeed a challenging and complex model and we are happy to share that we have done a successful pilot of the same. This will now become a much larger part of the business and will have a huge impact on driving full price sales and reducing inventory risk. Along with this, we are now also attempting to shorten our "thought to shelf" product cycle and move away from strictly two seasonal calendar. This will bring us closer to specific seasonal requirements and reduce business risk. We will also be accelerating our non NCR production capacity which already is over 20% as on date. In current times, this is a big asset and we aim to take it to over 30% in the next two years.

As a platform, we have always been incubating new brands and categories while scaling existing businesses. We are happy to share that the year saw two big launches. We have introduced our new Coordinates wear brand - 'elleven'. The brand promise is to be the ultimate destination for contemporary bottom and drape wear solutions for the Indian women. Our first store opened in Ahmedabad in February just before the pandemic. We are in the process of launching the brand online and in other offline channels which will further strengthen our market leadership position in the ethnicwear space. We have also launched a new category under brand W - FootApparel. The unique promise of brand W that blends fashion and functionality is extended to this category. We have launched our first range in February that saw encouraging response from consumers. It is currently being retailed through online portals and select W stores. We believe both these opportunities are meaningfully big with a clear void in the marketplace. Given our design strength, supply chain capabilities and retail experience, we look forward to rapidly scaling it up once the situation stabilises.

The pandemic will surely change the world forever and gives us an opportunity to look at business in a new light. There will be long term implications for all aspects of a business including consumer behaviour, channel dynamics, product creation and supply chain. While it is difficult to have definitive answers to many of these questions, it is imperative for one to be cognizant of the evolving trends and have agility and humility to adapt to new realities. We are committed to ride this learning curve and make the best out of it.

We would also like to mention that today, our entire eco system, be it our employees, trade partners, supply chain vendors, retail property landlords, service providers, investors and everyone else are going through difficult times and yet we have seen them sharing our pains and extending support to the business. We would take this opportunity to thank each one of them for their unfaltering support.

We are confident that this experience will help us discover the next version of ourselves and unleash the next phase of our journey which am sure will be cherished with as much pride as the one behind us.

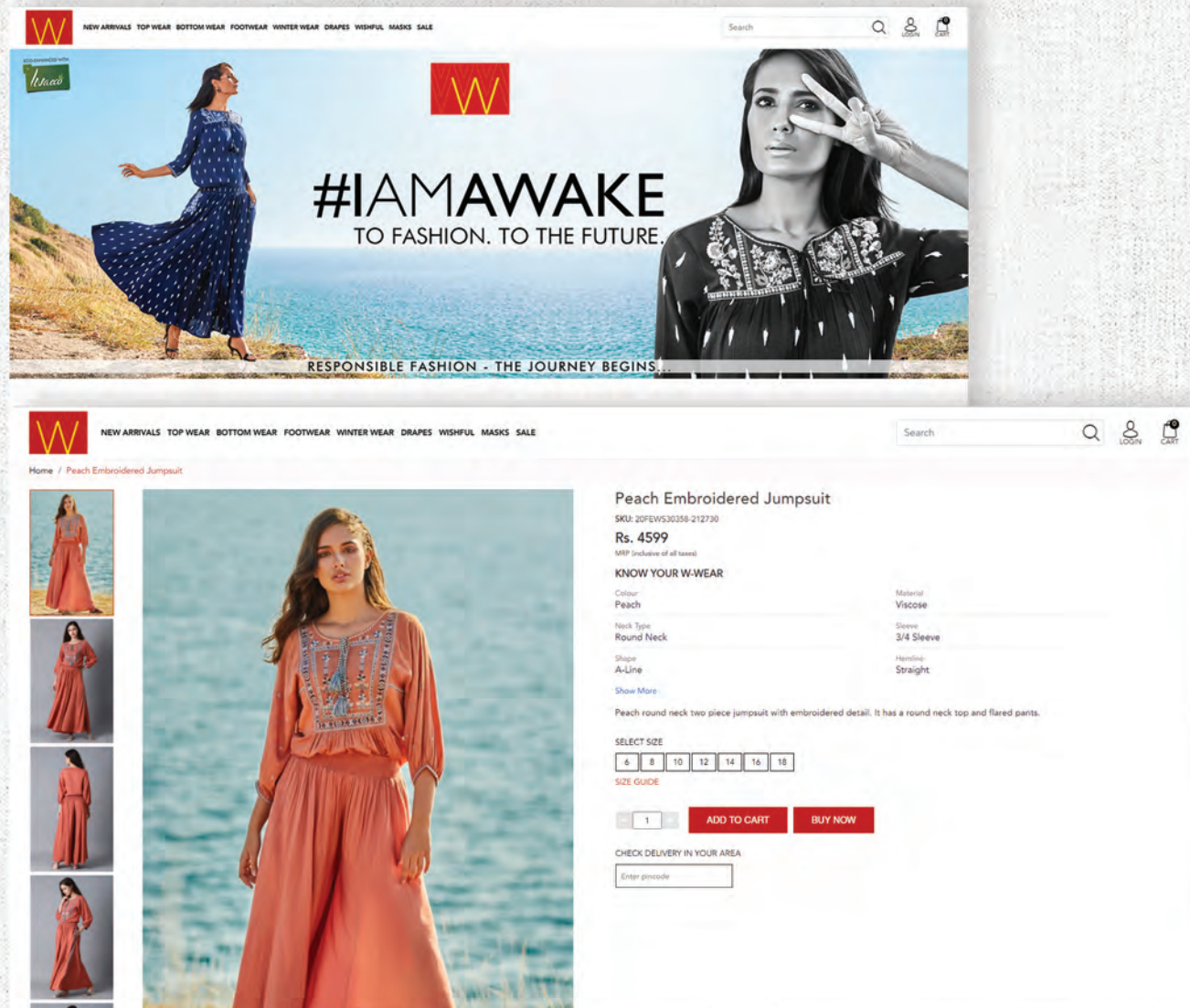
Thank you and keep safe.
Anant Kumar Daga
Managing Director

D2C, E-COMMERCE & OMNICHANNEL

WFORWOMAN.COM

The brand website underwent a complete revamp not just aesthetically but also in terms of technology support leading to a world class experience for the consumers.

The fully revamped PWA (Progressive Web Application) website provides an accelerated, best-in-class loading time - page loading speed at sub 2 seconds currently.



MARKET PLACE

The D2C (Direct To Customer) model is live across channels including market places. The common inventory pool is leveraged from the warehouse to fulfil all online requirements across both - own website and third party online marketplaces.

We are a preferred partner with most of the third-party marketplaces and have launched a number of new partnership constructs with them, such as Amazon DS, Myntra PPMP etc. With a combination of outright and D2C models, we are able to offer our entire product range to the consumers on third-party marketplaces.



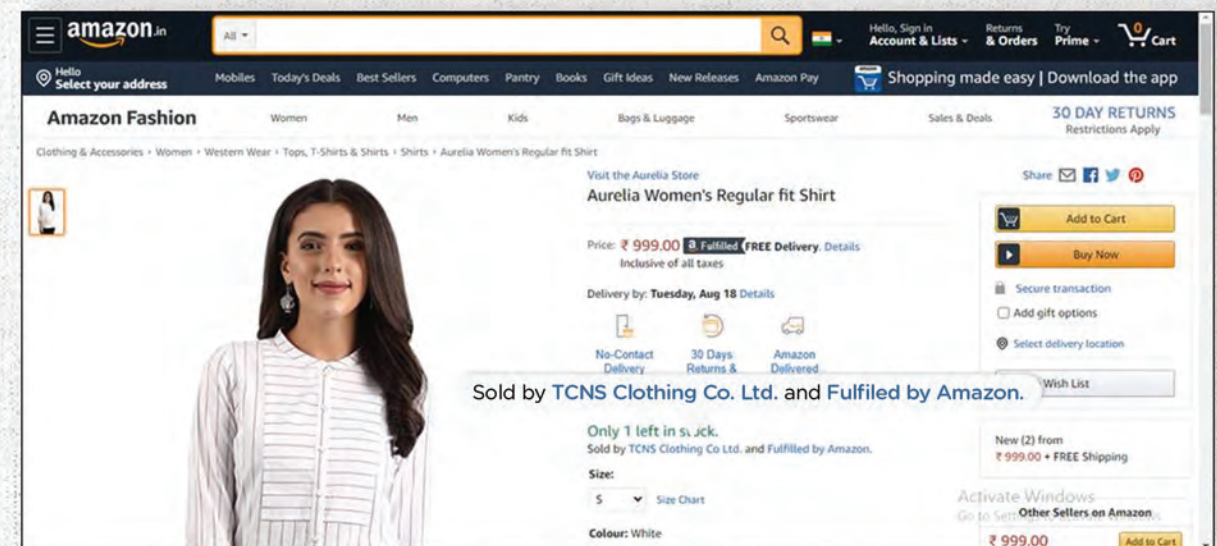
OMNICHANNEL

As the offline and online world converge, it is brand like ours to provide a seamless experience across channels. The omnichannel or endless aisle concept at TCNS lives upto the same by creating a common inventory pool for stores and marketplace.

Omni offers 99% of seasons styles across channels. Current store inventory is live across the endless aisle, own website & select portals. In-store endless aisle has received positive consumer response and has already served over 50,000 consumers



Our fulfillment capabilities have been accredited by leading online portals like Amazon & Flipkart as best-in-class partners.



LIFE AT TCNS

Life is like a Story and together we are making it beautiful and memorable by adding exciting and lovable episodes in it. Standing alone can never let you win, and this is what we have learned at TCNS.

For us, our teams and culture make a picture-perfect frame together.



OUR UNITY
OUR TREASURE

KEEPING THE MORALE HIGH

With the aim to bring in a positive change during the Pandemic Lockdown, we initiated a series of activities to fight the anxiety related to the pandemic and nationwide lockdown. We remotely implemented continued engagement, learning, change management and staff welfare when all the employees were locked up in their homes during the pandemic, dealing with emotional stress due to the sudden change.

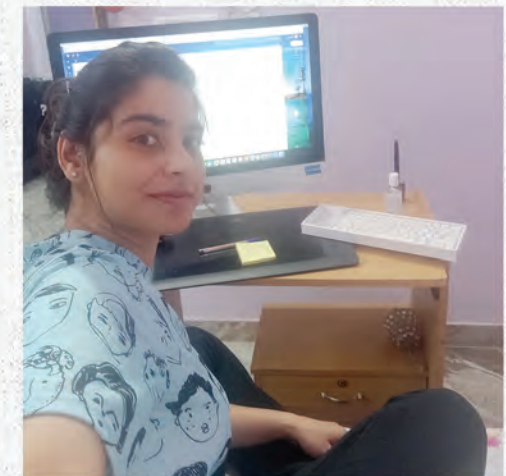
The entire team brainstormed and created activities and tasks keeping in mind fun continued learning, stress management and most importantly keeping oneself future ready. A whole lot of activities and contests were a part of this program which were further divided into four heads as below

BUILD-UP



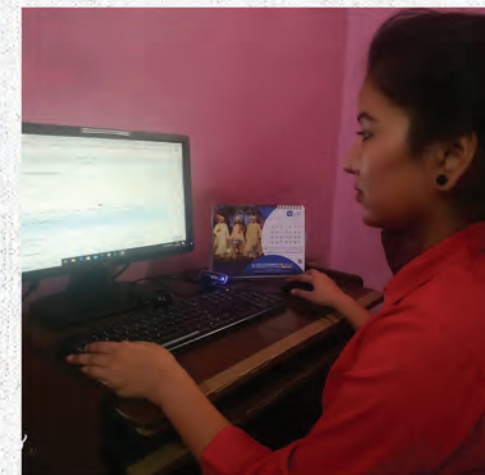
(Employee Capability Building)

BRUSH-UP



(Training & Retraining)

GEAR-UP



(Store Staff Retraining)

CHEER UP



(Boosting Health & Happiness)

DONATION DRIVES

Sshrishti India Trust
Creating a better and empowered India since 2003

You are more than kind.

THANK YOU TCNS !

W WISHFUL aurelia eleven

TCNS Clothing Co. Limited

We appreciate your generosity.

TCNS Clothing Co. Limited
W WISHFUL aurelia eleven

Together we can!

Donated 75,000 Masks and 100,000 drapes
across various initiatives

JOY OF GIVING

Giving Happiness to others is a great act of charity!



Every year our management organizes Joy of Giving events where our teams come together and take initiative to take care of people in need. The events include Old Age Home and NGO visits, charity programs, interaction and contributions for kids at the orphanages .

REIMAGINE

REDISCOVER, RETHINK

Rewards & Recognition



GO GREEN

Giving back to nature is of utmost importance at TCNS. Regular plantation drives across the country by teams not only makes for a greener future but also inculcates a sense of responsibility towards nature.



MARKETING CAMPAIGNS

RESPONSIBLE FASHION

I am awake to hope.

*To the conscious efforts of our mission,
to be the conscience keeper of a sustainable tomorrow.*

*To the heirlooms of the past,
by embroidering traditions onto the hemlines of today.*

*To nurturing the environment by
eco-friendly acts of preserving sacred resources.*

*I am awake to the evolving sensibilities
of the modern Indian woman.*

*To intertwining threads of sustainable strength
with tales of our foremothers.*

*I am awake to weaving tales for the future,
with the fabric of today.*

I am Awake,

I am

Responsible Fashion - The Journey Begins. . .





Inclusivity & Commitment



Making education a colorful experience for kids



1000 saplings planted in an hour by the team.

Giving Back to the Society



2020 & beyond: The era of dressing up responsibly



The science behind turning the wardrobes green

Responsible Fashion

Inclusivity



Sprouting wings to the differently-abled



We are one

Women Empowerment



Source of livelihood for hundreds of women



Women in the workforce at Dehradun and Haldwani

ECO-ENHANCED WITH



I AM AWAKE
TO FASHION. TO THE FUTURE.



RESPONSIBLE FASHION - THE JOURNEY BEGINS... WATER CONSERVATION SUSTAINABLE FORESTRY SOLAR CHARKHA MISSION WOMEN EMPOWERMENT INCLUSIVITY



I AM AWAKE
TO FASHION. TO THE FUTURE.



RESPONSIBLE FASHION - THE JOURNEY BEGINS... WATER CONSERVATION SUSTAINABLE FORESTRY SOLAR CHARKHA MISSION WOMEN EMPOWERMENT INCLUSIVITY

POP SETS-THE FESTIVAL STARTS WITH YOU

W launched its Festive Collection 2019 called POP SETS. The brand took an unconventional approach to the festive dressing using unique fabric combinations like chanderies, denims and contemporary realizations of traditional Indian weaving techniques. Made using Livaeco, the eco-friendly range of styles hit the right chord with the consumers.



TO ALL THE M's, WITH LOVE - W

Music Video Celebrating Togetherness & Companionship during Lockdown

While the current pandemic has imposed social restrictions, caused financial uncertainty, increased stress and anxiety, it has also provided couples with extra time to spend together, helping them bond better. Capturing the moments of togetherness and companionship, W released a shot-at-home music video showcasing how the lockdown has brought men and women closer.



You and I, I and You,
 have realised something new!
 tu sikhaye,main seekh jaun
 par jab tu toke,main ad jaun
 galti karoon, phir ghabraun
 par tujhe paas dekh ke, hausla bhi paun,
 zimmedari ke safar ke chalo hisse kare do
 ek kadam, main chaloo
 ek kadam tum chal do
 You and I, I and You
 have realised something new!
M is W, W is M
 easy ho sab jab ho dono
 same to same

aurelia

CELEBWEAR STARRING DISHA PATANI

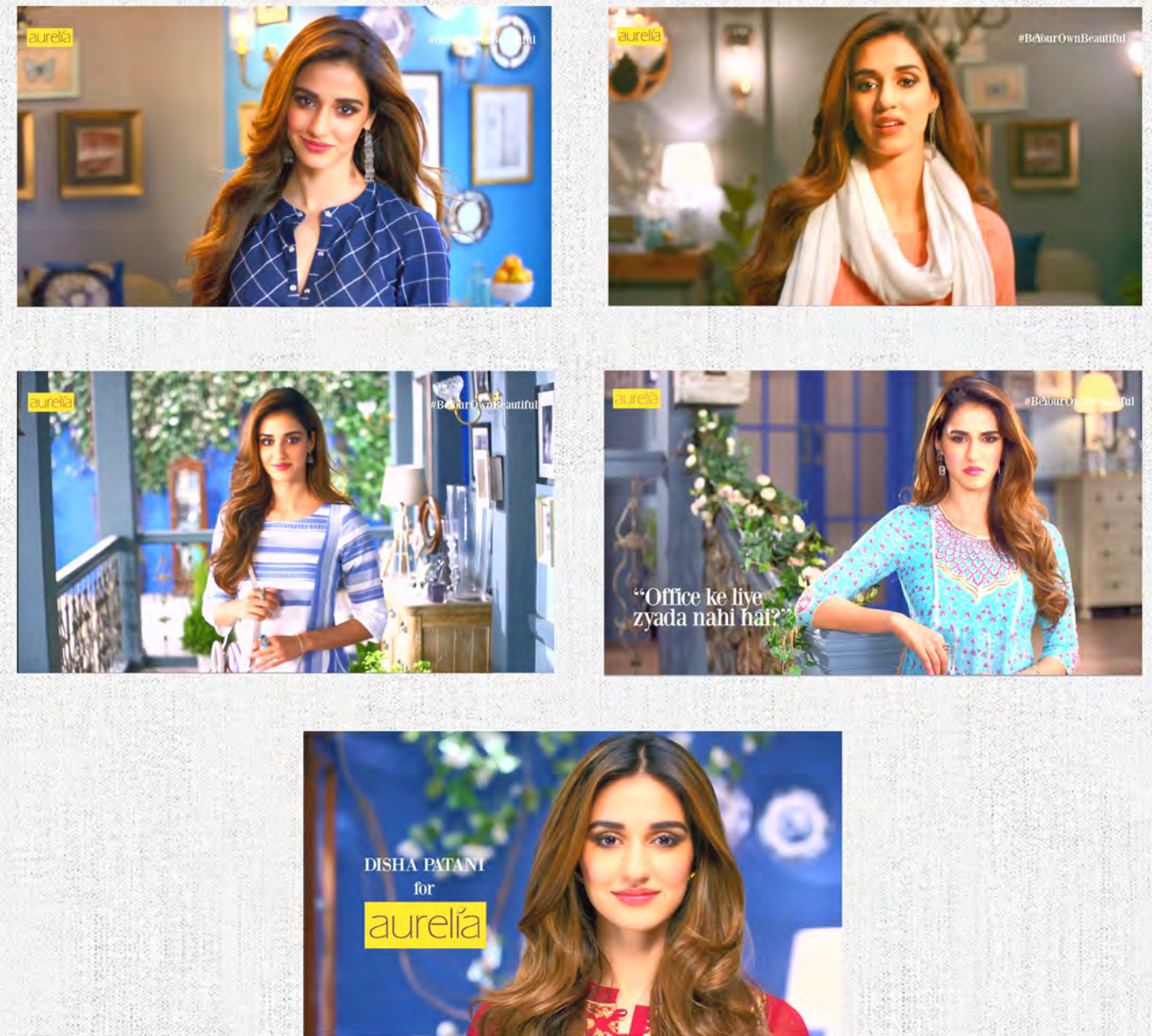
Aurelia launched Monsoon Festive Collection 2019 - 'Celebwear', characterised by celebrity style and starring Disha Patani, targeted at women seeking great design, fit and quality for their casual and work wear. Aurelia also reassigned the tinsel town starlet as its brand ambassador for the second year in a row.



The brand new TVC, starring Disha Patani was Aurelia's first TV campaign in the past ten years. The TV commercial embraced the different flavours of the festive season showcasing how Aurelia's newly launched collection was designed to transform every woman into the celeb of every celebration.

'BE YOUR OWN BEAUTIFUL'

Celebrating the power of women to transform the world, Aurelia, rolled out 'Be your own Beautiful' campaign, featuring Disha Patani. The campaign encouraged women to embrace themselves without the pressure to look a certain way. The campaign encouraged women to confront societal jibes that attempt to stereotype women into pre-defined standards and further urged them to be comfortable in their own true self.





aurelia

www.shopforaurelia.com

Be your
own beautiful.

-Disha Patani-



aurelia

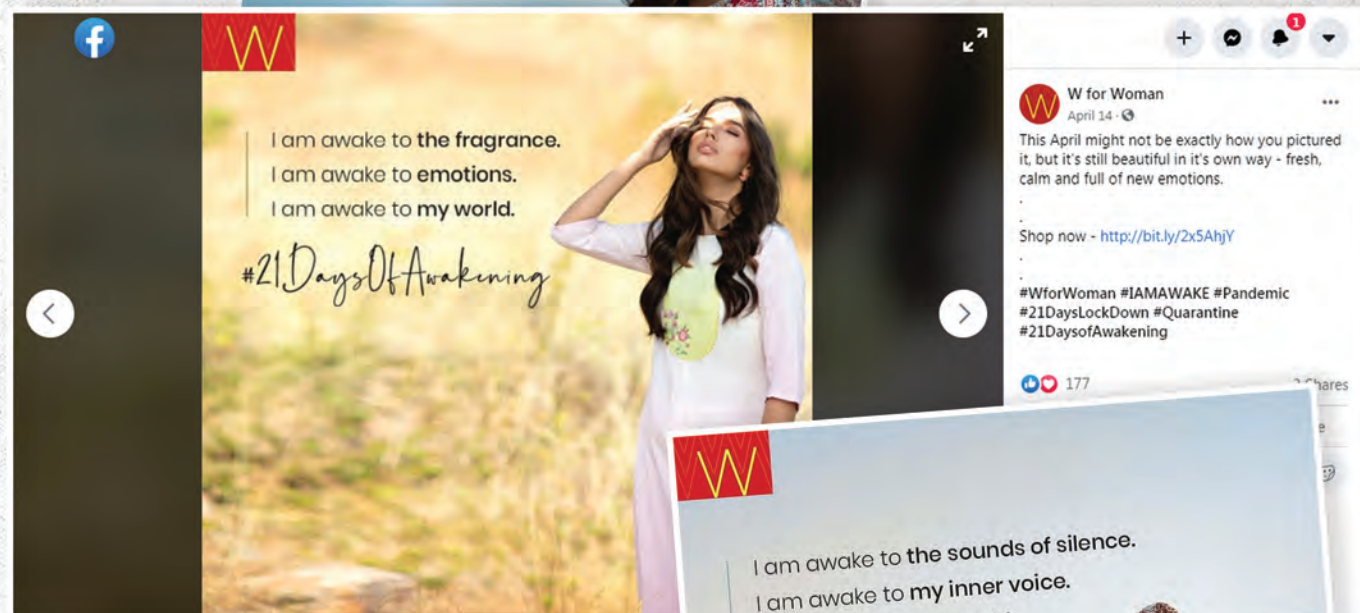
www.shopforaurelia.com

Be your
own beautiful.

-Disha Patani-

CONSUMER ENGAGEMENT

Daily positive affirmation for the initial 21 Days of lockdown to keep up the spirits

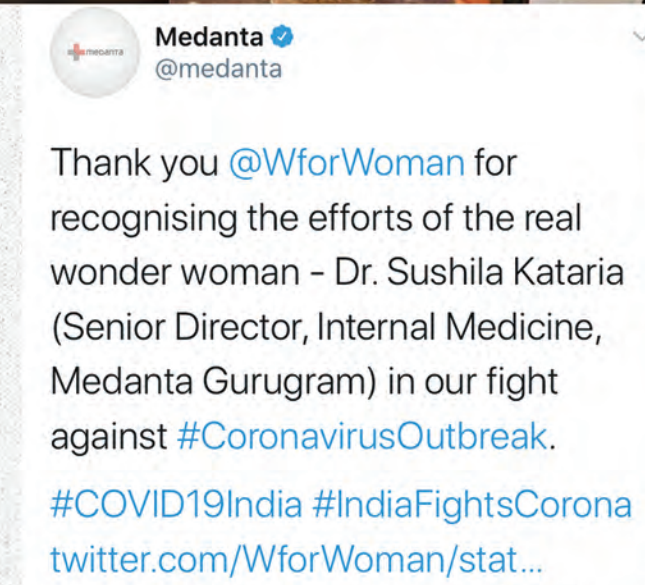


Awaken to the world during lockdown

#21 Days of Awakening

#WFORWONDERWOMAN

Celebrating the women who are at home as well as the ones on ground



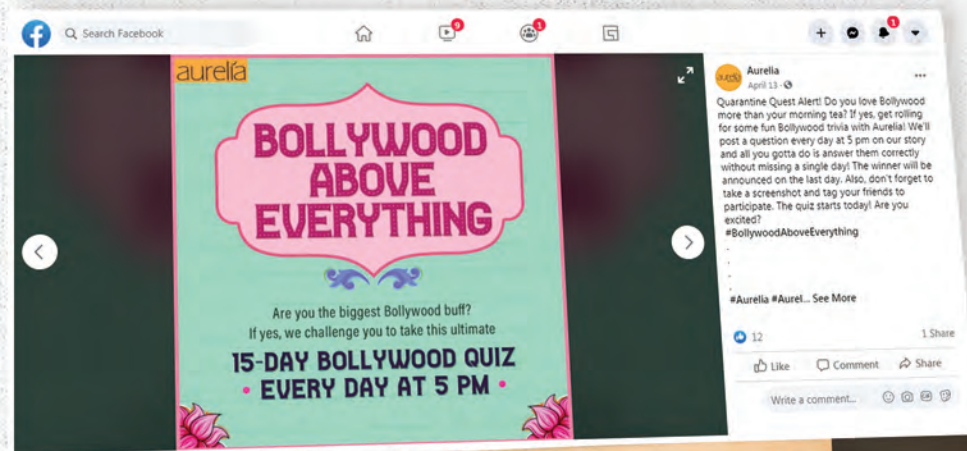
SOCIAL MEDIA

ACTIVITIES

During lockdown

CONSUMER CONNECT

VIRTUAL SHOPPING



SHOP NOW, SAVE LATER



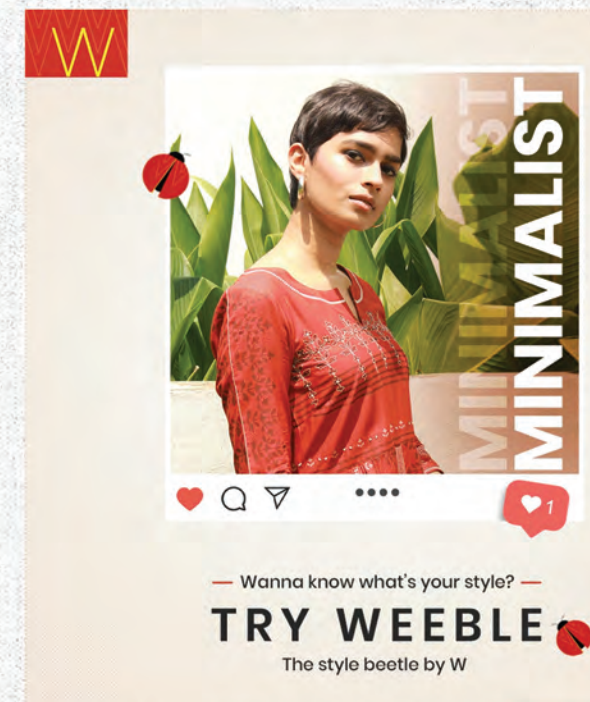
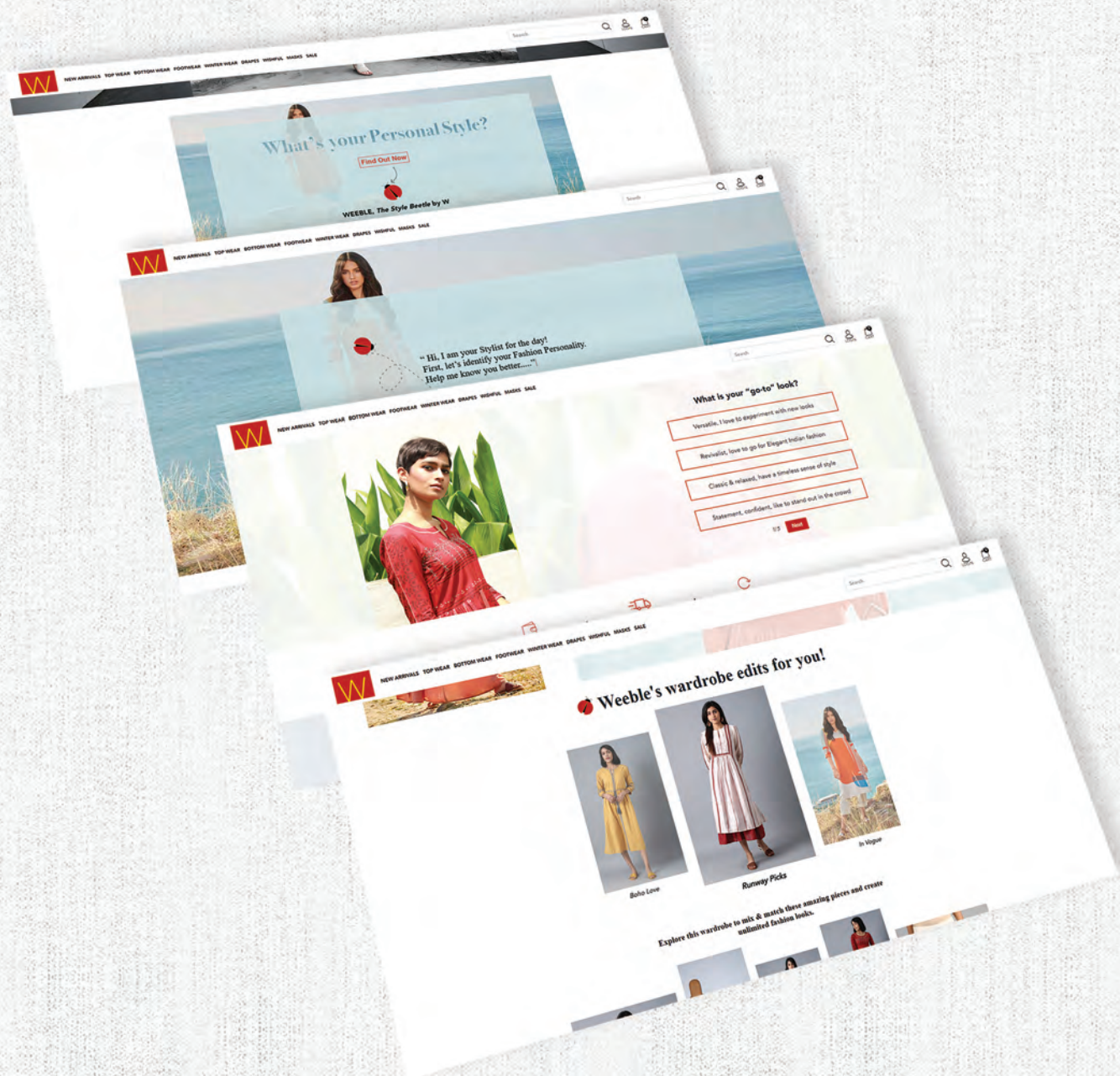
SHOP FOR A CAUSE



WEEBLE

THE STYLE BEETLE

Weeble is designed to help shoppers determine their style personality with a few simple questions, based on their characteristics, comfort type and the occasion. The assistant then shortlists and makes suggestions of outfits as per the shopper's personality type, thereby easing the shopping process on the website.



INTRODUCING FOOT APPAREL

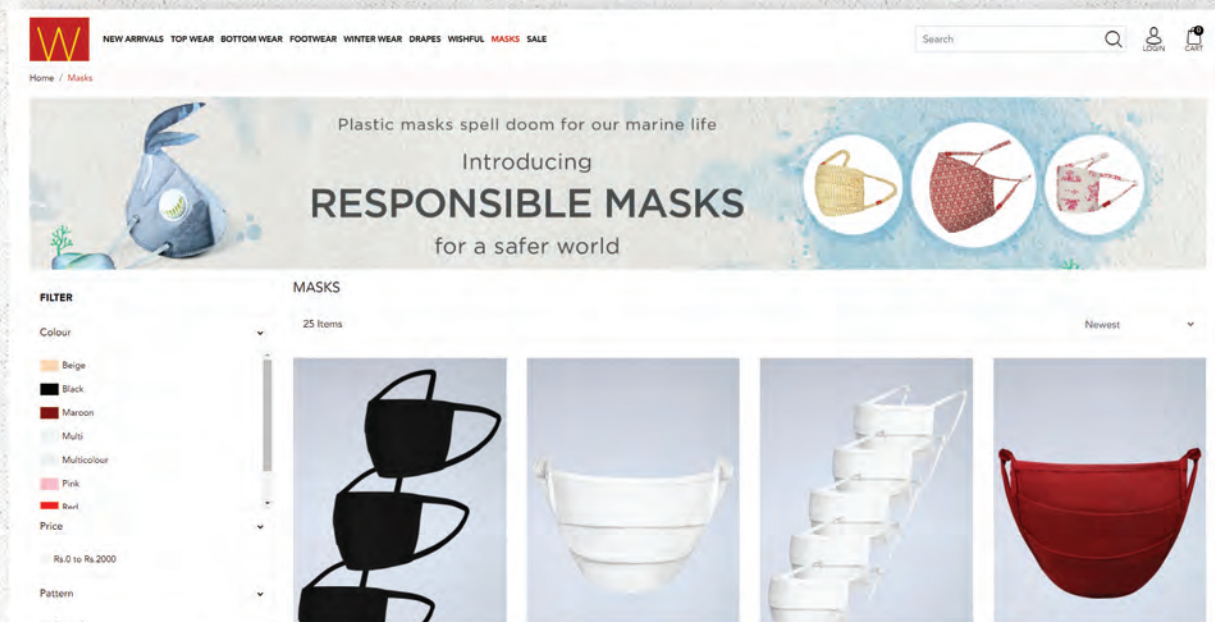
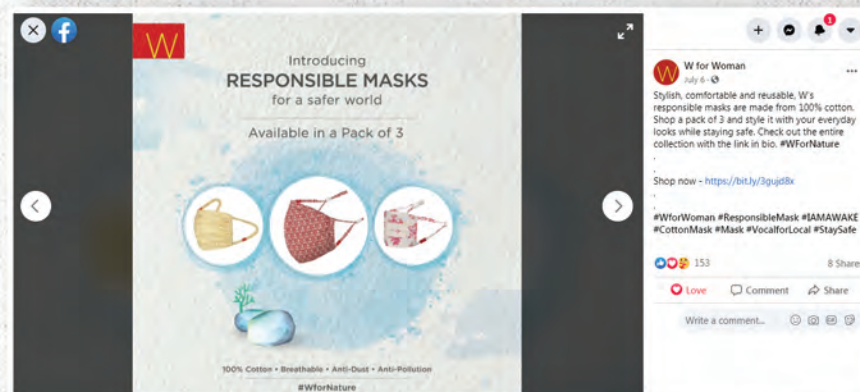
Expanding its offering in the fashion ecosystem, W, forayed into the footwear market, with an exclusive range of fashionable Foot Apparel. In the first phase of the launch, the company plans to retail the footapparel across 80+ W stores as well as on the brands own website.



RESPONSIBLE MASKS

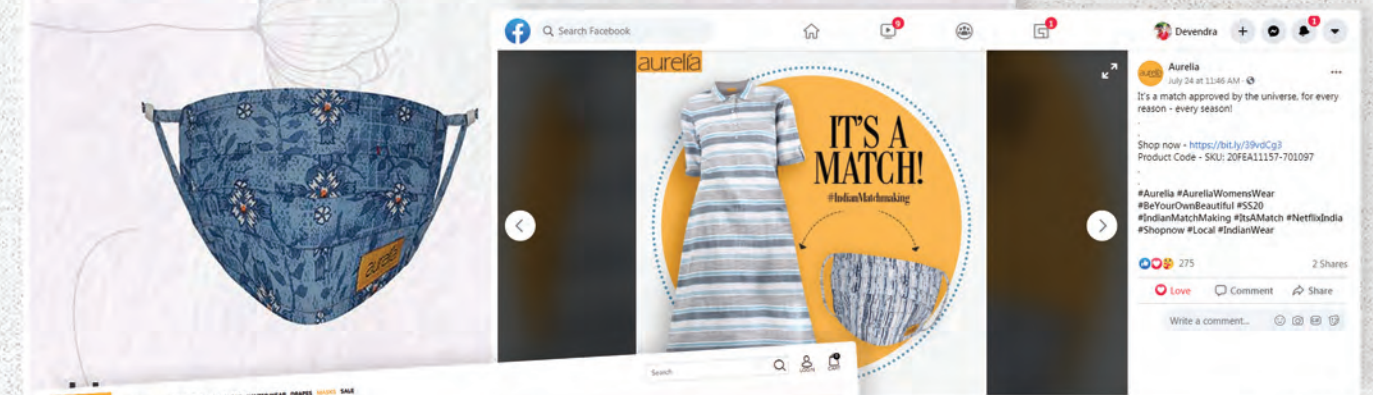


STYLISH, COMFORTABLE and REUSABLE
W's responsible masks are made from 100% cotton



REUSABLE & STYLISH

masks for every reason and every season in comfortable cottons by aurelia



Awards & Recognition



Images Retail Forum - Most Admired Retailer of the Year, 2019 Visual Merchandising



Consumer Choice Women's Ethnic Brand of the Year, By Flipkart Fashion Conclave 2019



Most Liked Women's Brand, 'W'- By Myntra



India TV-Great Lifestyle Brands: Best Social Media Campaign



Images Fashion Forum - Most Admired Fashion Brand of the year 2019 (6th Consecutive Year)



Images Fashion Forum - Most Admired Fashion Concept of the Year Yolo Dress - 2019

Images Retail Forum - Most Admired Retailer of the Year, 2019 Visual Merchandising (Disha Patani Focussed VM - Aurelia)

Consumer Choice Women's Ethnic Brand of the Year, By Flipkart Fashion Conclave 2019 (Aurelia)

Most Liked Women's Brand, 'W'- By Myntra 2019

India TV-Great Lifestyle Brands: Best Social Media Campaign Yolo Dress 2019

Images Fashion Forum - Most Admired Fashion Brand of the year 2019 (6th Consecutive Year)

Images Fashion Forum - Most Admired Fashion Concept of the Year Yolo Dress - 2019

BOARD OF DIRECTORS



MR ONKAR SINGH PASRICHA
CHAIRMAN AND EXECUTIVE DIRECTOR

He holds a bachelor's degree in technology in electrical engineering from Indian Institute of Technology, Delhi. One of the Co-founders of TCNS Clothing Co Ltd., he has been on our Board since December 3, 1997. He has more than 40 years of experience in the apparel industry, including retail/trading from the early 1970s, manufacturing and exporting of apparel to international brands and setting up contract manufacturing operations in other countries to serve global markets. He has been also awarded for Entrepreneur of the year by Images North Indian Awards (FY 2019).



MS NEERU ABROL
INDEPENDENT DIRECTOR

She is an associate member of the Institute of Chartered Accountants of India. She has worked with National Fertilizers Limited (NFL) as its Chairperson and Managing-Director. Prior to NFL, she has worked with the Steel Authority of India Limited, holding various management positions.



MR ANANT KUMAR DAGA
MANAGING DIRECTOR

He holds a bachelor's degree in commerce from the University of Calcutta and a Post-Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He joined our Company as a Chief Executive Officer with effect from March 16, 2010, and has been on the Board since September 7, 2016. Prior to joining our Company, Anant Kumar Daga has worked with Reebok, India and with ICICI bank. He also features in the Economic Times' 40 under 40 list of India's hottest business leaders for 2017 and has been awarded the 'Brand Professional of the Year Award' at the CMAI Apex Awards 2017.



MS SANGEETA TALWAR
INDEPENDENT DIRECTOR

She holds a Post-Graduate Diploma in Management from Indian Institute of Management, Kolkata. She is currently a partner at Flyvision Consulting LLP. She has worked with Nestle India as an Executive Vice President (Marketing), Mattel Inc., India as its Managing Director, Tata Tea as an Executive Director (Marketing) and NDDB Dairy Services as its Managing Director.



MR NARESH PATWARI
NON-EXECUTIVE DIRECTOR

He holds a bachelor's degree in Technology in Mechanical Engineering from Indian Institute of Technology, Kharagpur and a master's degree in Business Administration from the Tuck School of Business at Dartmouth College, United States. He has been on our Board since August 18, 2016. Naresh Patwari is currently employed with TA Associates Advisory as a Director. He was previously employed with Schlumberger, McKinsey & Company and ICICI Venture.



MR BHASKAR PRAMANIK
INDEPENDENT DIRECTOR

He holds a bachelor's degree in Technology from Indian Institute of Technology, Kanpur. He has served as the Chairman of Sun Microsystems India, Managing Director of Oracle India and as Chairman of Microsoft India.

Management Discussion & Analysis

Economic Environment

Global growth is projected at -4.9% in 2020. The COVID-19 pandemic has had a more negative impact on the economic activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than the previous forecasts. In 2021 global growth is projected at 5.4%.

India experienced a GDP growth of 4.2 % in fiscal 2018-19 & 1.9% in 2019-20. The economy was forecasted to become the fifth largest economy in the world in FY 19-20. Continued implementation of structural and financial sector reforms, with efforts to reduce public debt, remain essential to secure the economy's growth prospects.

Economic development projects and enhanced social initiatives in India will be vital in the coming years. But to generate the revenue needed to get them off the ground, India's debt—among the highest in emerging markets—must be reduced. Despite some improvement in reported fiscal deficits, debt as a share of GDP remains little changed over the past decade partly due to increases in off-budget financing.

(Source : World Economic Outlook, IMF, June 2020)

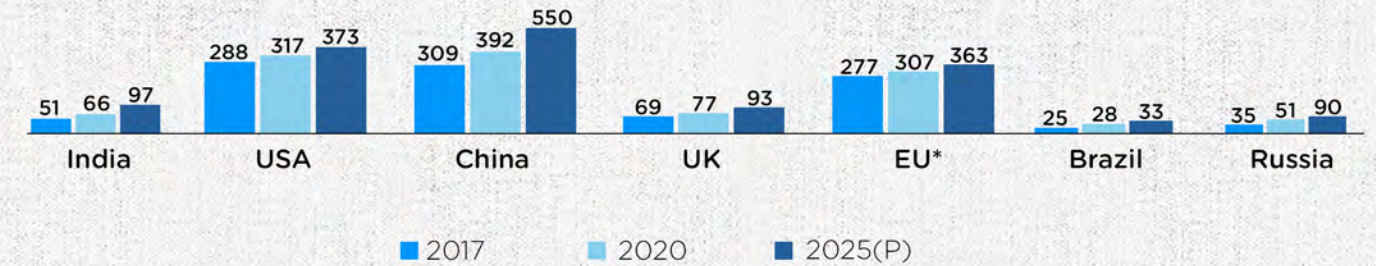
Indian Retail

When it comes to retail space, India is ranked the world's fifth-largest global destination. With a market size of around USD 710 billion, the overall retail market in India is expected to witness 6.4% CAGR within the period of 2018-23.

The Transition from traditional retail to organised retail is driven by changing consumer expectations, growing middle class, higher disposable income and change in the demographic mix, among other factors. This is further intensified with the convenience of online shopping, the multiplicity of choice under one roof (shop-in-shop), and the increase of mall culture etc. These factors are expected to drive organized retail growth in India over the long run.

Apparel Market in India

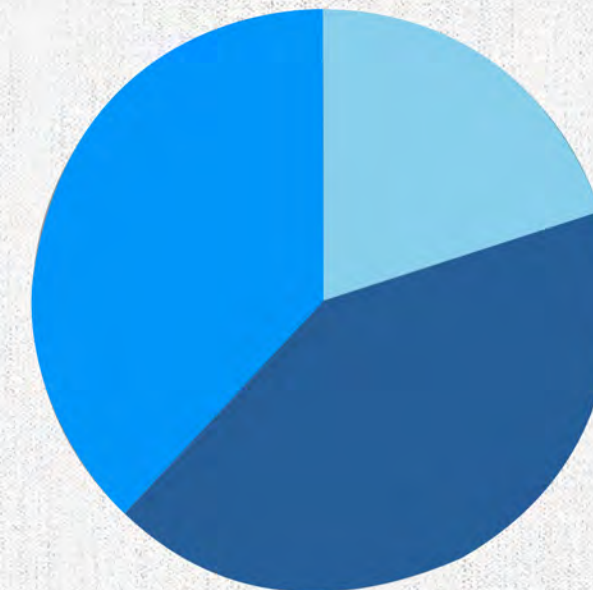
The Indian apparel market is smaller when compared to global apparel markets. The following chart sets forth the size of the markets: (in US\$ billion)



*Includes Germany, Italy, France, Spain and 7 other countries only; indicates fiscal year. (Source: Marketline 2017 1€=US\$ 1.3)

The apparel market in India was estimated to be around USD 51 Bn in 2017 and expected to grow at around 9% CAGR.

With men's apparel constituting more than 42% of the total apparel market in fiscal 2017 and kid's apparel constituting 20%, the balance 38% share was contributed by women's apparel.



Kid's Apparel	20%
Men's Apparel	42%
Women's Apparel	38%

Women's Apparel Wear Industry and Ethnic Wear

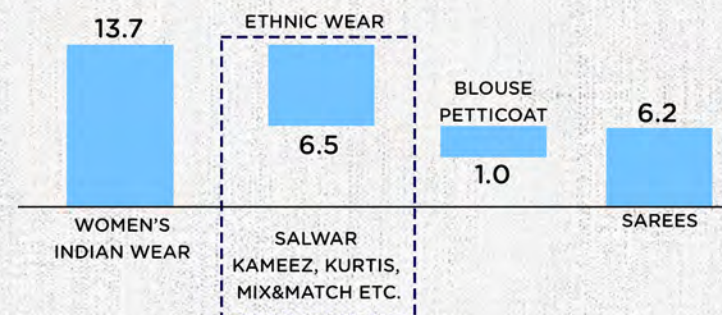
Women's wear constituting 38% of the total apparel market size, amounts to USD 19.3 billion.

India is expected to witness continuous growth in the share of women's wear. This would be driven by a shift in socio-cultural mind-set, modern trade channels, changing consumer behaviour and increased number of working women.

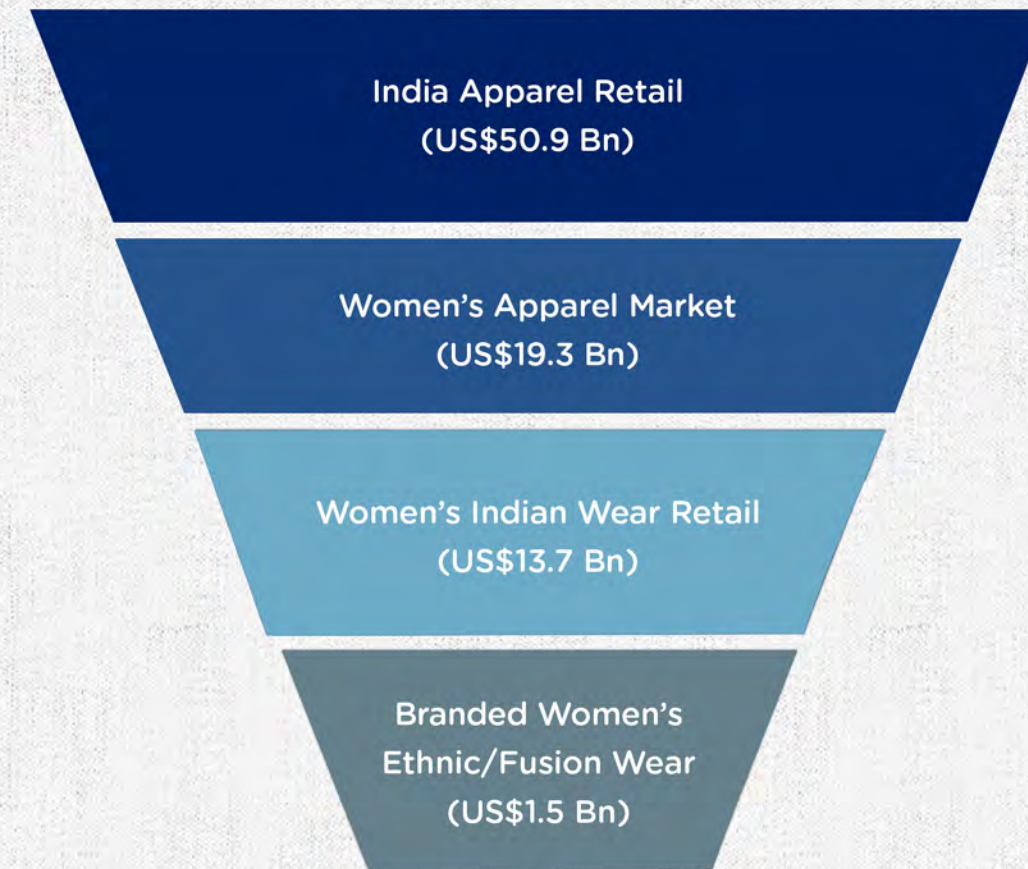
Of the women's apparel market, around 71% or USD 13.7 billion is contributed by Indian wear. The high share of Indian apparel in the apparel market is a unique feature of the Indian market. In any other major markets, including Asian countries, majority of the market is made up of western apparel categories. The appeal of apparels inspired by local/regional designs, raw material, styles is restricted to occasions and does not extend to daily use. However, in India, ethnic fashion has succeeded in retaining its mainstream appeal for daily use for women, and that makes its construct distinctive to India.



Indian wear market further comprises of Ethnic wear (Kurtis, Salwar Kameez Dupatta, Mix & Match etc.) of 48% and the balance being Sarees and Blouse/Petticoat



The market structure can be represented as follows:



The branded Women's ethnic wear segment is one of the fastest growing segments in the apparel industry.

While a large number of brands and formats form the landscape of women's Indian apparel, few national brands dominate this sector along with popular regional players. While most players tend to be focused on a specific women's apparel category and single price positioning, we have differentiated ourselves through a multi-brand platform strategy straddling across price points and consumer segments to capture a larger share of the overall market.

Trends & Growth Drivers In The Women's Ethnic Wear Market

As is the trend across industries, in the women's apparel market also, there is a shift from unorganised markets to organised ones and from unbranded to branded.

Rapid growth in e-commerce due to increased penetration of mobile internet, convenience of online shopping as well as widening reach of online players is also growing the organised market.

With expanding number of women entering the workforce, leading to higher spending power, the demand for convenient work-wear as well as day-wear is increasing.



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Financial Review

The Company's financials for the year have been impacted disproportionately due to the COVID-19 impact.

Financial Highlights for 2019-20

(₹ Million)

Particulars	2019-20	2018-19	% Increase/ (Decrease)
Total Revenue	11,486.67	11,479.53	+ 0.1%
EBIDTA	2,074.02	1,843.47	+12.5%
PBT	660.62	1,616.23	-59.1%
PAT	694.10	1314.35	-47.2%
Total Asset	11,975.82	7,858.93	+52.4%
Earnings per Share (EPS) (in ₹)	10.84	20.95	

Note: As mentioned in the audited statements, the company has received a significant one off tax benefit this year.

Adjusted for Ind AS 116 impact and proforma adjustment for constant tax rate, the % decrease for FY 20 vs FY 19 would be as follows:

- Adjusted EBITDA decline -46.4% and
- Adjusted Pat decline - 55.5%.

Internal Control System

Adequate internal control system of the company ensures that transactions are authorised, recorded and reported correctly. The internal control is exercised through procedures and rights authorised in the Enterprise Resource Planning (ERP) system. The controls are supplemented by a program of internal audit. The audit observations and the corrective measures taken thereon are periodically reviewed by the Audit Committee to ensure the effectiveness of the internal control system.

Risk Management

The Company is governed by a risk management framework, comprising regular risk assessment by a Committee, review of processes and controls over data flow.

- Fashion risk: Inability to respond to changes in customer preferences and fashion trends on time, may have an adverse effect on our business.

All our products are designed through an institutionalised process which includes constant feedback. Structured range architecture and a strong design team helps in ensuring delivery of designs on a timely basis while maintaining an edge in fashion. We have shifted away from a strict 2-season calendar to bring the planning and production closer to the season specific requirements, resulting in a shorter lead time for production.

- Supply Chain risk: Inability to manufacture and supply products on time

We have developed a wide base of suppliers, both for fabric, as well as manufacturing. We develop long term relationships with our suppliers, who have continued to grow with us. We keep developing new sources, expanding in new geographies to de-risk dependency on existing base of suppliers, as well as to avoid any geographical risk. We are gradually moving to a machine-learning led replenishment process to enable more accurate and quicker replenishment cycle.

- People risk: Inability to attract/retain talent

Our team has been a key reason for our success. The entrepreneurial culture along with a widely distributed Employee Stock Options Plan (ESOP) pool has led to a stable team. All our key employees are stakeholders and have long continuity in the company.

- Discounting: Trend of longer End of Season Sales (EOSS) and deeper discounting

We are a multi-channel business which gives us the opportunity to get higher realisation by selling through alternate channels. The effort is also to launch fresh season stocks in stores early, reducing the proportion of stocks being sold at a discount.

- High Inventory Days: Risk of liquidity, if sales projections are not met.

Around 30% of our inventory is Raw Material and WIP for the ongoing season and next, which are fresh and do not carry significant risk. We constantly monitor the freshness of Finished Goods and ensure that more than 90% of our stocks are less than 3 seasons old. Our aggressive dormancy provisioning policy ensures that older stocks are valued below historical realisation values. Express production process to reduce inventory risk and maximize top-selling styles has already been tested for a meaningful number of styles and we are now expanding it to cover a large proportion of total inventory.

Human Resources

We believe, that our team is the most valuable resource for our organisation. The company's HR philosophy is to establish and build a high performing entrepreneurial organization, where everyone is motivated to perform to their fullest capacity. We pride ourselves upon having a professional and healthy work culture, built around strong corporate values. Employees are provided with an enabling working environment and culture, with equal opportunity for learning and individual growth. The company has a total of 3,947 employees, as of March 31, 2020.

Outlook

Globally, India is seen as one of the key consumer markets from where future growth is likely to emerge. The growth in consumption will be driven by both services and private consumption. Near term growth depends on how quickly the recovery process starts, with upcoming festival season expected to hopefully improve consumer sentiment.

Indian Retail market is one of the fastest growing in the world. Organised Retail, estimated at USD 67 Bn in 2017 is expected to grow to USD 252 Bn by 2025. The apparel market is expected to grow from USD 51 Bn in 2017 to USD 97 Bn by 2025. Within that, Women's ethnic wear category is projected to be one of the fastest growing segments.

In the Women's ethnic wear segment, no short to mid-term competition from global fashion brands / retailers is expected, given their own business limitations to do so. Organised local players with ability to scale up and continue to differentiate would continue to have the opportunity to grow.

Cautionary Statement

Estimates and expectations stated in this Management Discussion and Analysis may be 'forward-looking statements', within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to your Company's operations, include economic conditions, Government regulations, tax laws, other statutes and different incidental factors.

Notice

Dear Members,

Invitation to attend the 23rd Annual General Meeting of TCNS CLOTHING CO. LIMITED.

You are cordially invited to attend the 23rd Annual General Meeting of the Company to be held on **Thursday, the 24th day of September 2020 at 2:00 P.M. (IST)** through video conferencing. The notice convening the Annual General Meeting is attached herewith.

In order to enable ease of participation of the Members, we are providing the below key details regarding the meeting for your reference:

S. No.	Particulars	Details
1.	Link for live webcast of the Annual General Meeting and for participation through Video Conferencing (VC)	https://emeetings.kfintech.com
2.	Link for remote e-voting	https://evoting.kfintech.com
3.	Username and password for VC	Members may attend the AGM through VC by accessing the link https://emeetings.kfintech.com by using their remote e-voting credentials. Please refer the detailed instructions available at page no. 8 of this Notice for further information.
4.	Helpline number for VC participation and e-voting	Contact KFin Technologies Private Limited ('KFin Tech') at 1-800-3454-001 or write to them at evoting@kfintech.com .
5.	Cut-off date for e-voting	Thursday, September 17, 2020.
6.	Time period for remote e-voting	Commences at 9:00 A.M. (IST) on Monday, September 21, 2020 and ends at 5:00 P.M. (IST) on Wednesday, September 23, 2020.
7.	Book closure dates	From Friday, September 18, 2020 to Thursday, September 24, 2020 (both days inclusive).
8.	Link for Members to temporarily update e-mail address	https://ris.kfintech.com/email_registration/
9.	Last date for publishing results of the e-voting	Saturday, September 26, 2020.
10.	Registrar and Share Transfer Agent contact details	Mr. Umesh Pandey, Manager KFin Technologies Private Limited ('KFin Tech') Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. Phone No.: +91 40 6716 2222 Toll-free No.: 1800-345-4001. E-mail: einward.ris@kfintech.com ; evoting@kfintech.com
11.	TCNS's contact details	investors@tcnsclothing.com 011-42193193/011-42193176

For and on behalf of Board of Directors

Date: August 18, 2020
Place: New Delhi

Sd/-
PIYUSH ASIJA
Company Secretary and Compliance Officer
ACS 21328

Notice is hereby given that the 23rd (Twenty Third) Annual General Meeting ("AGM") of the Members of TCNS Clothing Co. Limited will be held on **Thursday, the 24th day of September 2020 at 2:00 P.M. (IST)** through Video Conferencing (VC)/ Other Audio Video Mode (OAVM), to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon.
- To appoint Mr. Anant Kumar Daga (DIN: 07604184) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Approval for Remuneration of Mr. Anant Kumar Daga (DIN: 07604184), Managing Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions under Section 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, the payment of remuneration to Mr. Anant Kumar Daga, (DIN: 07604184), Managing Director of the Company, for financial year 2020-21 within the maximum permissible remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government be and is hereby approved, on such terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement forming part of this notice, notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V to the Companies Act, 2013 in case of no profits/inadequate profits."

"RESOLVED FURTHER THAT the overall managerial remuneration payable to Mr.

Anant Kumar Daga shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, but not exceeding previous year's amount of ₹ 25.5 million per annum (excluding any perquisite value arising out of exercise of Employee stock option as already exercised by him) at any point of time and that the terms and conditions of the aforesaid remuneration payable to Mr. Anant Kumar Daga be varied/altered/revised within aforesaid overall limit, as decided and approved by the Board/ Nomination and Remuneration Committee as may be required during aforesaid period of 1 (One) year."

"RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactments thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this notice be paid as minimum remuneration to Mr. Anant Kumar Daga, Managing Director of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to review and determine from time to time increase his remuneration at its discretion, within the maximum remuneration as approved by the Members and to do all such necessary acts, deeds, matters and things as are required to be done in this regard."

"RESOLVED FURTHER THAT Mr. Onkar Singh Pasricha, Director of the Company and Mr. Piyush Asija, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things, as may be necessary to give effect to this resolution."

4. Approval for Remuneration of Mr. Onkar Singh Pasricha (DIN: 00032290), Chairman and Executive Director of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions under Section 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the

Notice (Contd.)

Act”) including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the payment of remuneration to Mr. Onkar Singh Pasricha (DIN: 00032290), Chairman and Executive Director of the Company for the financial year FY 2020-21 within the maximum permissible remuneration as specified in Section II of Part II of Schedule V to the Companies Act, 2013 without obtaining the approval of the Central Government be and is hereby approved on such terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement forming part of this notice, notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V to the Companies Act, 2013 in case of no profits/inadequate profits.”

“RESOLVED FURTHER THAT the overall managerial remuneration payable to Mr. Onkar Singh Pasricha, Chairman and Executive Director of the Company, shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, but not exceeding previous year’s amount of ₹ 3 million per annum at any point of time and that the terms and conditions of the aforesaid remuneration payable to Mr. Onkar Singh Pasricha be varied/altered/revised within aforesaid overall limit, as decided and approved by the Board/Nomination and Remuneration Committee as may be required during aforesaid period.”

“RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactments thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, the salary, perquisites and statutory benefits, as set out in the explanatory statement forming part of this notice be paid as minimum remuneration to Mr. Onkar Singh Pasricha, Chairman and Executive Director of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to review and determine from time to time, increase his remuneration at its discretion, within the maximum remuneration as approved by the Members and to do all such necessary acts, deeds, matters and things as are required to be done in this regard.”

“RESOLVED FURTHER THAT Mr. Anant Kumar Daga, Managing Director of the Company and Mr. Piyush Asija, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things, as may be necessary to give effect to this resolution.”

5. To approve the alteration of the Object clause of the Memorandum of Association of the Company.

To consider and, if thought fit, to pass with or without modification(s) in line with the Company’s category expansion strategy including but not limited to accessories, bags, lingerie etc., the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, the alteration of the Objects Clause of the Memorandum of Association (“MOA”) be and is hereby approved by adding the clause no- II to the Main Objects, which reads as follows:

“To carry on the business in India or outside India as manufacturers, producers, assemblers, buyers, sellers, exporters, importers, designers, merchandisers, coordinators, traders, dealers, agents, distributors, consigners, consignee, commission agent, combiners, job work, scourers, finishers, stockists, auctioneers, trustees, jobbers, contractors, packers, retailers, wholesalers, suppliers, representatives, sub-agents, aggregators, inquiry agents, publicity and advertising agents of all types of products and services including but not limited to all kind of life style products, fashion products and accessories

Notice (Contd.)

of every description, footwear, all types eyewear including sunglasses and accessories, bags including hand bags, luggage and other travelling accessories, headwear, wristwear, jewellery including artificial jewellery, ornaments, watches, bracelets, anklets, undergarments, lingerie, innerwear, handloom fabrics, bed coverings, pillows including neck pillows, home furnishing articles, home decor articles, office equipment, novelties, showpieces, other decorative articles, handicrafts, gift items including greeting cards, posters, furniture products, all types of crockery/pottery made up of ceramic or otherwise, beauty products of every description, cosmetics, perfumes, disinfectants, pharmaceutical products, fragrances, vaporous substances, toiletries, creams, skin and hair care products, herbal

products, domestic and industrial sanitisers and all other identical and similar products and goods of every description and of any material and allied product, by-products and substitutes for all or any of them and to treat and utilise any waste arising from any such manufacture, production or process and blends and mix thereof.”

“RESOLVED FURTHER THAT necessary revision in numbering the clauses of the Memorandum of Association of the Company shall be carried out.”

“RESOLVED FURTHER THAT Mr. Onkar Singh Pasricha, Director of the Company and Mr. Piyush Asija, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things, as may be necessary to give effect to this resolution.”

For and on behalf of Board of Directors

Sd/-

PIYUSH ASIJA

Company Secretary and Compliance Officer

ACS 21328

Date: August 18, 2020

Place: New Delhi

Notice (Contd.)**NOTES:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM'/ 'Meeting') is annexed hereto. The Board of Directors of the Company has opined that the special business under Item No. 3 to 5, being considered unavoidable, be transacted at 23rd AGM of the Company.
2. Pursuant to the provisions of Section 152 of Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR), Regulations, 2015') and the Secretarial Standard on General Meetings ('SS-2'), the relevant information in respect of the Director seeking re-appointment and seeking fixation of remuneration at the AGM is attached as an **Annexure-B** and forms an integral part of this Notice.
3. In view of the COVID-19 pandemic and restrictions on movement as well as social distancing norms, the Ministry of Corporate Affairs ('MCA') has vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, read with Circular No. 20/2020 dated May 5, 2020 and the Securities and Exchange Board of India ('SEBI') has vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively "Applicable Circulars"), relaxing provisions of the SEBI (LODR), Regulations, 2015, permitted holding of the AGM through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'). Accordingly, the 23rd AGM of the Company will be held through VC/OAVM in compliance with the provisions of the Act and the SEBI (LODR), Regulations, 2015. The deemed venue for the AGM shall be Corporate Office of the Company which is situated within the local limits of Registered Office of the Company.
4. **Procedure for obtaining the Annual Report, AGM Notice with e-voting instructions/credentials by Members whose email addresses are not registered with the Depositories/not submitted to the RTA:**
Pursuant to Section 101 and Section 136 of the Act read with the applicable circulars and relevant Rules made thereunder, to support the "Green Initiative" announced by the Government of India; read with Applicable Circulars, the Company is

sending the Annual Report and Notice of the AGM with e-voting instructions only in electronic form to the registered email addresses of the Members. Therefore, those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- i. Those Members who have not registered their email address, mobile numbers, address and bank details (including any changes thereof) may please contact and validate/update their details with their respective Depository Participant(s) for shares held in electronic form.
Members holding shares in physical form may register their email address and mobile number. Members holding shares in physical form can submit their PAN to the Company or to KFin Tech.
- ii. Members who have not registered their email address, as a consequence of which the Annual Report, Notice of AGM with e-voting instructions could not be serviced, may temporarily get their email address and mobile number updated with the Company's RTA, by clicking the link: https://ris.kfintech.com/email_registration/. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. Alternatively, in case of any queries, Members may write to einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy for electronic folios/share certificate for physical shares. Members may however note that this is a temporary registration and the Company urges all Members to get their email address and mobile number registered with their respective Depository Participant(s).
- iii. Members only desiring to download the Annual Report and Notice of the AGM, may visit the website of the Company <https://wforwoman.com/content/investor-relation/> or the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and

Notice (Contd.)

BSE Limited at www.nseindia.com and www.bseindia.com respectively, or the website of the RTA viz. <https://evoting.kfintech.com>, for the same.

Alternatively, Members may send an email request at the email id einward.ris@kfintech.com for sending the Annual report, Notice of AGM with e-voting instructions by email.

5. As this AGM is being held pursuant to the Applicable Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate Members are requested to send the duly certified scanned copy of the Resolution of the Board or governing body, authorizing their representative(s) to attend through VC/OAVM and vote through remote e-voting on their behalf at the Meeting pursuant to Section 112 and 113 of the Act. The said resolution/authorization shall be sent to the Scrutiniser by email through its registered email address to sanjaygrover7@gmail.com with a copy marked to evoting@kfintech.com.
7. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Thursday, September 24, 2020.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In line with the Applicable Circulars, Members will be able to join the AGM on a first-come first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Compensation, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
10. In case of joint holders, only such joint holder 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 at the AGM.

11. Pursuant to Section 72 of the Act read with the Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 to KFin Tech. Members holding shares in electronic form may contact their respective DPs for availing this facility. The Nomination form can be downloaded from the Company's website at <https://wforwoman.com/content/investor-support-nomination-form/>.
12. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to KFin Tech.
13. Pursuant to the provisions of Regulation 42 of the SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 18, 2020 to Thursday, September 24, 2020 (Date of AGM) (Both days inclusive).
14. Members under the category of Institutional investors are encouraged to attend and vote at the meeting.
15. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company/KFin Tech has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialization by contact the Company/KFin Tech for assistance in this regard.
16. In case of change in residential status of Non-Resident Indian Shareholders, the same should be immediately informed to the Registrar & Share Transfer Agents of the Company along with particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank.

Notice (Contd.)**17. Inspection of documents:**

Certificate from Deloitte Haskins and Sells LLP, Statutory Auditors of the Company, with respect to implementation of Employee Stock Option Scheme, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM.

Members seeking to inspect such documents can send an email to investors@tcnsclothing.com.

Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company at least 10 days before the date of AGM, through email at investors@tcnsclothing.com. The same will be replied by the Company suitably.

18. The 23rd Annual General Meeting has been convened through VC/OAVM in Compliance with applicable provisions of the Companies Act, 2013 read with Applicable Circulars.
19. The recorded transcript of this meeting, shall as soon as possible, be made available on the website of the Company at www.wforwoman.com.

Notice (Contd.)**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM**

- i. Members are being provided the facility to attend the AGM through VC/OAVM platform of KFin Technologies Private Limited ('KFin Tech'). Members are requested to participate in the AGM through VC/OAVM by visiting the link <https://emeetings.kfintech.com> and logging in by using their e-voting credentials. Further, Members have to select the EVENT and the name of the Company and click on 'Video Conference' option to join the AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
- ii. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM (i.e. 02:00 PM. (IST) on Thursday, September 24, 2020) and will be available throughout the proceedings of the AGM. Members will be allowed to attend the AGM through VC/OAVM on first-come-first-served basis.
- iii. For a better experience, Members are encouraged to join the AGM through their computers with Google Chrome browser.
- iv. Please note that participants connecting from mobile devices/tablets/computers via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views/ask the questions may register their queries before the AGM by accessing the link <https://emeetings.kfintech.com> from Friday, September 18, 2020 to Sunday, September 20, 2020. The Company has further provided a "post your query" option, to the members to express their views or ask questions during the AGM. The Company reserves the right to restrict the number of answers to the queries depending on the availability of time for the AGM. The unanswered queries, if any, shall be answered by the Company after the AGM suitably. Please note that, Members' questions will be answered only if they continue to hold shares as on the cut-off date.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with the provisions of Section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR), Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means i.e. remote e-voting either before the AGM or e-voting/Insta poll during the AGM. Resolution(s) passed by Members through e-voting will be deemed as if they have been passed at the AGM.
The Company has engaged the services of KFin Tech as the agency to provide the e-voting facility.
- ii. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Thursday, September 17, 2020 (**'the cut-off date'**), shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Any person, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holds shares as of the cut-off date, may obtain the User ID and Password by following the procedure mentioned in the Notice.
- iii. The Members can opt for only one mode of voting i.e. either by remote e-voting before the AGM or Insta poll during the AGM. The Members who have not already cast their vote by remote e-voting before the AGM shall be able to exercise their right during the AGM through e-voting/Insta poll. The Members who have cast their vote by remote e-voting before the AGM are eligible to attend the AGM through VC/OAVM but shall not be entitled to cast their vote again through e-voting/Insta poll during the AGM.
- iv. The period of remote e-voting before the AGM commences on Monday, September 21, 2020 (9:00 a.m. IST) and ends on Wednesday, September 23, 2020 (5:00 p.m. IST). The remote e-voting module shall thereafter be disabled by KFin Tech for voting and subsequently enabled for e-voting/Insta poll, during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

Notice (Contd.)**A) Steps for remote e-voting before the AGM:**

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com>.
- ii. Enter the login credentials (i.e. User ID and Password). Your DP ID and Client ID will be your User ID. However, if you are already registered with KFin Tech for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, Click on 'LOGIN'.
- iv. You will now reach 'Password Change Menu' wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details such as mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You will need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the 'EVENT' i.e., 'TCNS Clothing Co. Limited - 5520'.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR/AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as on the cut-off date, i.e. Thursday, September 17, 2020. You may also choose the option 'ABSTAIN'. If the Member does not indicate either 'FOR' or 'AGAINST', it will be treated as 'ABSTAIN' and the shares held will not be counted under either heads.

- viii. Members holding multiple Demat Accounts shall carry out the e-voting process separately for each Demat Account.
- ix. Voting has to be done for each Resolution of the Notice of the 23rd AGM separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and clicking on 'SUBMIT'.
- xi. Thereafter, a confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify or change the votes cast. However, Members can login any number of times till they have voted on all the Resolutions.
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (pdf format) of the Board Resolution/Authority Letter etc., certified to be true, to the Scrutiniser at e-mail ID: sanjaygrover7@gmail.com with a copy marked to evoting@kfintech.com. The scanned copy of the above mentioned documents should be named in the format 'TCNS Clothing Co. Limited_EVENT NO. 5520'.
- xiii. Members who have already voted through remote e-voting before the AGM will be eligible to attend the AGM.
- xiv. In case of Members who have not registered their e-mail address (including Members holding shares in physical form), please follow the steps for registration of e-mail address and obtaining User ID and Password for e-voting as mentioned in this Notice in note no. 4.

B) Steps for e-voting/Insta poll during the AGM:

Only those Members present at the AGM through VC/OAVM and have not already cast their vote through remote e-voting shall be eligible to vote through e-voting/Insta poll during the AGM. Voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same. Members may click on the voting (🗳️) icon on the left side of the screen to cast their votes once the e-voting/Insta poll is announced at the Meeting.

Notice (Contd.)**C) Other Instructions:**

- i. Any person, who acquires shares of the Company and becomes a Member after dispatch of the Notice and holds shares as of the cut-off date, may obtain the 'User ID' and 'Password' in the manner mentioned below: Where the mobile number of the Member is registered against DP ID and Client ID, the Member may send an SMS: MYEPWD (E-Voting Event Number) + DP ID and Client ID to 9212993399.
For example:
- NSDL MYEPWD IN12345612345678
- CDSL MYEPWD 1402345612345678
- ii. Where e-mail address or mobile number of the Member is registered against DP ID and Client ID, then on the home page of <https://emeetings.kfintech.com>, the Member may click "Forgot Password" and enter DP ID & Client ID and PAN to generate a password. KFin Tech shall endeavor to send User ID and Password to those new Members whose e-mail address is available. Members can also reach out to KFin Tech's toll free number 1800-3454-001 or send an e-mail request to einward.ris@kfintech.com or umesh.pandey@kfintech.com.

D) General Instructions for Members:

- i. In case of any query and/or grievance, in respect of (i) attending the AGM through VC/OAVM, and (ii) voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting User Manual available at the Downloads section at <https://emeetings.kfintech.com> (KFin website) or contact Mr. Umesh Pandey (Unit: TCNS Clothing Co. Limited) of KFin Tech at Selenium Tower B, Plot 31- 32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, email at einward.ris@kfintech.com or umesh.pandey@kfintech.com or call KFin Tech's toll free no. 1800-3454-001 for any further clarifications.

- ii. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 17, 2020
- iii. As the AGM will be conducted through VC/OAVM, the route map to the AGM venue is not annexed to this Notice.

- E)** The Company has appointed M/s. Sanjay Grover and Associates, Practicing Company Secretaries, to act as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and Mr. Devesh Vasisht (FCS No. 8488 and CP No. 13700) failing him, Ms. Priyanka (ACS No. 41459 and CP No. 16187) on behalf of M/s. Sanjay Grover and Associates has communicated his willingness to be appointed and be available for the purpose.
- F)** The Scrutiniser shall, immediately after the conclusion of the remote e-voting at the AGM, first count the votes cast through remote e-voting during the Meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses not in the employment of the Company, and make a consolidated Scrutiniser's Report of the total vote cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same.
- G)** The results on resolutions shall be declared not later than 48 hours from the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions.
- H)** The results declared along with the Scrutiniser's Report will be made available on the website of the Company (www.wforwoman.com) and on Service Provider's website (<https://evoting.kfintech.com>) and the same shall be communicated to National Stock Exchange of India Limited and BSE Limited within 48 hours from the conclusion of the Meeting.

Notice (Contd.)**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT") AND THE SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ("SECRETARIAL STANDARDS")**

The following statement sets out all material facts relating to the Special Business (es) mentioned in the accompanying Notice:

Item No. 3

Mr. Anant Kumar Daga, was appointed and designated as Managing Director of the Company by the Board at its Meeting held on September 7, 2016 for a period of 5 years i.e. from September 7, 2016 to September 5, 2021.

Further, as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on June 16, 2020 approved the revision in the remuneration of Mr. Anant Kumar Daga for his remaining tenure effective from April 01, 2020 on terms and conditions enumerated in the Resolution.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limits Specified in Sec. 197 of the Companies Act, 2013 but is in compliance with Schedule V of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Mr. Anant Kumar Daga, Managing Director of the Company. The proposed remuneration of Mr. Anant Kumar Daga would be as under:

- Salary: ₹ 25.5 million
- Commission: Nil
- Perquisites: Perquisites include HRA, Expenses pertaining to fuel, Electricity, other utilities, medical Reimbursement, Leave Travel Concession, Conveyance, Personal Accident Insurance, Car usage Telephone Expenses but excludes any perquisite benefit arising upon the exercise of stock options since it can't be predetermined.
- Retirals: As per policy of the Company and applicable laws.
- Sitting Fee: Nil

The Board of Directors recommends the Resolution at Item No. 3 of the accompanying Notice, for the approval of the Members of the Company by way of Special Resolution.

Except Mr. Anant Kumar Daga with his immediate relatives, none of Directors, Key Managerial Personnel

and their relatives are considered to be concerned or interested financially or otherwise, in the said Resolution.

Statements in terms of Schedule V of the Companies Act, 2013 relating to Remuneration payable to Managerial Personnel is annexed as **Annexure-A**.

Item No. 4

Mr. Onkar Singh Pasricha is the Chairman and Executive Director of the Company. Further, as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on June 16, 2020 approved the revision in the remuneration of Mr. Onkar Singh Pasricha on terms and conditions enumerated in the Resolution.

It is submitted that based on the projections, the managerial remuneration individually is within the limits specified in Sec. 197 of the Companies Act, 2013 and is in compliance with Schedule V of the Companies Act 2013 but the overall managerial remuneration of Directors may exceed the limits specified in Sec. 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Mr. Onkar Singh Pasricha, Chairman and Executive Director of the Company. The proposed remuneration of Mr. Pasricha would be as under:

- Salary: ₹ 3 million
- Commission: Nil
- Perquisites: Perquisites include HRA, Expenses pertaining to fuel, Electricity, other utilities, medical Reimbursement, Leave Travel Concession, Conveyance, Personal Accident Insurance, Car usage Telephone Expenses.
- Retirals: As per policy of the Company and applicable laws.
- Sitting Fee: Nil

The Board of Directors recommends the Resolution at Item No. 4 of the accompanying Notice, for the approval of the members of the Company by way of Special resolution.

Except Mr. Onkar Singh Pasricha with his immediate relatives, none of Directors, Key Managerial Personnel and their relatives are considered to be concerned or interested financially or otherwise, in the said Resolution.

Item No. 5

The Company is pursuing growth opportunities in various fields of business and always considers new

Notice (Contd.)

business proposals which have good future prospects and potentials to increase the shareholders' return. To facilitate such initiatives, alteration is proposed by way of additions to the Objects Clause in the Memorandum of Association as set out in the resolution at Item No. 5 of the Notice. These additional Objects may conveniently and advantageously be combined with the existing businesses of the Company. Accordingly, the Board of Directors propose to alter main Clause by addition of Clause II to the Main Objects clause of the Memorandum of Association of the Company as set out in the resolution at Item No. 5. The aforesaid

alteration, if approved by the Members shall be registered by the Registrar of Companies, NCT of Delhi & Haryana as per the provisions of the Act with such modifications as be advised by him.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in, anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends the Resolution at Item No. 5 of the accompanying Notice, for the approval of the Members of the Company by way of Special resolution.

Notice (Contd.)

ANNEXURE - A
ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V

GENERAL INFORMATION:

Nature of industry	Manufacturing and Retailing of women apparel.																
Date or expected date of commencement of commercial production	The Company is in operation since December 3, 1997.																
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																
Financial performance based on given indicators	<p>The Financial performance of the Company for Financial Year ended on March 31, 2020 and March 31, 2019 is as under:</p> <p style="text-align: right;">(₹ in million except EPS)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Current Year (FY 2019-20)</th> <th>Previous Year (FY 2018-19)</th> </tr> </thead> <tbody> <tr> <td>Profit (loss) after Tax</td> <td>694.12</td> <td>1,314.35</td> </tr> <tr> <td>Net worth including balance in Profit & Loss Account)</td> <td>6,600.00</td> <td>6,185.61</td> </tr> <tr> <td>Earnings per share-basic (in ₹)</td> <td>10.85</td> <td>20.60</td> </tr> <tr> <td>Turnover (Revenue from Operations)</td> <td>11,486.67</td> <td>11,479.53</td> </tr> </tbody> </table>		Particulars	Current Year (FY 2019-20)	Previous Year (FY 2018-19)	Profit (loss) after Tax	694.12	1,314.35	Net worth including balance in Profit & Loss Account)	6,600.00	6,185.61	Earnings per share-basic (in ₹)	10.85	20.60	Turnover (Revenue from Operations)	11,486.67	11,479.53
Particulars	Current Year (FY 2019-20)	Previous Year (FY 2018-19)															
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Earnings per share-basic (in ₹)	10.85	20.60															
Turnover (Revenue from Operations)	11,486.67	11,479.53															
Foreign investments or collaborations, if any.	One Foreign Body Corporate - Wagner Limited holding 29.31% of the total shareholding of the Company (excludes Foreign Mutual Funds, Foreign Portfolio, Non Residents Individuals having shareholding in the company).																
Information about the appointee:																	
Background details	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Information</th> </tr> </thead> <tbody> <tr> <td>Name</td> <td>Mr. Anant Kumar Daga</td> </tr> <tr> <td>Father's Name</td> <td>Sh. Krishan Kumar Daga</td> </tr> <tr> <td>Age</td> <td>43 Years</td> </tr> <tr> <td>Qualification</td> <td>Bachelor's degree in commerce from the University of Calcutta and a postgraduate diploma in management from Indian Institute of Management, Ahmedabad</td> </tr> <tr> <td>Past Experience</td> <td>Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining our Company, Mr. Anant Kumar Daga has worked with Reebok India and with ICICI bank.</td> </tr> </tbody> </table>		Particulars	Information	Name	Mr. Anant Kumar Daga	Father's Name	Sh. Krishan Kumar Daga	Age	43 Years	Qualification	Bachelor's degree in commerce from the University of Calcutta and a postgraduate diploma in management from Indian Institute of Management, Ahmedabad	Past Experience	Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining our Company, Mr. Anant Kumar Daga has worked with Reebok India and with ICICI bank.			
Particulars	Information																
Name	Mr. Anant Kumar Daga																
Father's Name	Sh. Krishan Kumar Daga																
Age	43 Years																
Qualification	Bachelor's degree in commerce from the University of Calcutta and a postgraduate diploma in management from Indian Institute of Management, Ahmedabad																
Past Experience	Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining our Company, Mr. Anant Kumar Daga has worked with Reebok India and with ICICI bank.																
Past remuneration	<ul style="list-style-type: none"> Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961: ₹ 2,54,66,940 /- per annum. Contribution to PF: ₹ 11,27,316 Value of perquisites u/s 17(2) Income-tax Act, 1961 ₹ 28,800. 																

Notice (Contd.)

Recognition or awards	<ul style="list-style-type: none"> Featured in the Economic Times' 40 under 128 list of India's hottest business leaders for 2017. Brand Professional of the Year 2017 - Mr. Anant Kumar Daga (M.D. - TCNS Clothing co. Limited), By CMAI.
Job profile and his suitability	Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining TCNS Clothing Co. Ltd., Mr. Anant Kumar Daga has worked with Reebok, India and with ICICI bank.
Remuneration proposed	As stated in the Explanatory Statement at Item No. 3 of this Notice.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed of Mr. Anant Kumar Daga 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 nature of its businesses. Moreover in his position as Managing Director of the Company, Mr. Daga devotes substantial time in overseeing the overall operations of the Company.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration proposed, Mr. Anant Kumar Daga does not have any pecuniary relationship with the Company, except the eligibility for ESOP options as per the ESOP Schemes of the Company.
Other information:	
Reasons of loss or inadequate profits	Not Applicable
Steps taken or proposed to be taken for	Not Applicable
Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been pursuing and implementing its strategies to improve financial performance. But owing to the COVID-19 pandemic the business is expected to grow at slow pace.
Disclosures	
Remuneration package of the managerial person:	Fully described in the explanatory statement as stated above.
Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report for the FY 2019-20:	The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2019-20 of the Company.

Notice (Contd.)

ANNEXURE-B

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AND SEEKING FIXATION OF REMUNERATION AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name of the Director	Mr. Anant Kumar Daga (DIN: 07604184)	Mr. Onkar Singh Pasricha (DIN: 00032290)
Date of Birth	28/04/1977	21/09/1950
Age (years)	43	70
Date of first Appointment	07/09/2016	03/12/1997
Relationship with Directors, Manager and other KMP	Not related to any Director of the company	Not related to any Director of the company
Expertise in specific functional area	Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining our Company, Mr. Anant Kumar Daga has worked with Reebok India and ICICI bank.	Mr. Onkar Singh Pasricha has been Chairman of the Company since its foundation and has more than 41 years of experience in the apparel industry.
Qualification	Bachelor's degree in commerce from the University of Calcutta and a post-graduate diploma in management from Indian Institute of Management, Ahmedabad	B-Tech, Electrical Engineering, IIT-Delhi.
Experience	Mr. Anant Kumar Daga joined TCNS Clothing Co. Limited as a Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining your Company, Mr. Anant Kumar Daga has worked with Reebok India and ICICI bank.	Mr. Onkar Singh Pasricha holds a bachelor's degree in technology in electrical engineering from Indian Institute of Technology, Delhi. He has been on our Board since December 3, 1997 and was last re-appointed on August 26, 2019. Mr. Onkar Singh Pasricha has more than 41 years of experience in the apparel industry.
Terms and conditions of appointment/ re-appointment	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.wforwoman.com	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.wforwoman.com
Details of Remuneration sought to be paid	₹25.5 million per annum	₹ 3 million per annum
Remuneration last drawn	₹ 25.5 million per annum	₹ 3 million per annum
No. of meetings of the Board attended during the year	4 out of 4 Board Meetings	4 out of 4 Board Meetings

Notice (Contd.)

Board Membership of other companies as on 31 st March, 2020	Nil	1. TCNS Limited 2. Impressions Global Private Limited 3. TCNS Resorts Private Limited 4. Retailogix India Private Limited 5. Elco Systems Private Limited 6. TCNS Technologies Private Limited 7. Greentex Apparel Solutions Private Limited 8. Goodearth Clothing Co. Private Limited
Chairman/ Member of the Committee of the Board of Directors as on 31 st March, 2020	Risk Management Committee Stakeholders Relationship Committee	Nomination and Remuneration Committee Risk Management Committee Corporate Social Responsibility Committee
Chairman/Member of the Committee of Directors of other companies in which he is a director as on 31 st March, 2020	Nil	Nil
a) Audit Committee	Nil	Nil
b) Stakeholders' Relationship Committee	Nil	Nil
c) Nomination and Remunerations Committee	Nil	Nil
Number of shares held in the Company as on 31 st March, 2020	36,05,124 equity shares	67,52,681 equity shares

Board's Report

Annexure 'A'

To

The Members of TCNS Clothing Co. Limited

Your Directors take pleasure in presenting the 23rd Annual Report on business performance along with the Audited Financial Statements for the financial year ended March 31, 2020 and Auditor's Report thereon.

FINANCIAL PERFORMANCE

Financial Results

(₹ in million)

Particulars	Financial Year 2019-20	Financial Year 2018-19
Revenue from operations	11,486.67	11,479.53
EBITDA	2,074.02	1,843.47
Finance costs	381.89	5.14
Depreciation and amortization expense	1,031.51	222.10
Profit before tax	660.63	1,616.23
Tax Expenses	(33.49)	301.88
Profit for the year	694.12	1,314.35
Other Comprehensive Income/(Loss)	(9.98)	3.88
Total Comprehensive Income for the year	684.14	1,318.23

Overview of Company Performance and Operations

During the financial year, the revenue for the Company was ₹ 11,486.67 million, which was at similar level as the previous year. The Company's EBITDA (Earnings before Interest Tax and Depreciation) and PAT (Profit After Tax) were ₹ 2,074.02 million and ₹ 694.12 million respectively against the previous year's EBITDA and PAT of ₹ 1,843.47 million and ₹ 1,314.35 million respectively, representing a growth of 12.5% and -47.2% respectively.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR AND STATE OF COMPANY'S AFFAIRS

Significant Developments During the Year

COVID-19 impact

We started seeing impact of COVID-19 on business starting March 2020 which kept intensifying till the lockdown was initiated from last week of March.

This disruption had an adverse impact on the Company's performance and led to flat sales compared to previous year with a decline in profits versus last year.

The first priority in the COVID-19 response plan was to ensure business continuity while ensuring employees safety. Seeing the first hand impact in our stores early, we were able to take proactive steps to facilitate seamless Work from Home (WFH) facility for all our staff starting second week of March, 2020 itself.

Launch of New Brand "elleven"

During the year, your Company has launched its coordinate wear range of bottoms drapes under the brand name "elleven". The first store was opened in Ahmedabad.

Launch of Footwear

Your Company has launched fashion footwear under the brand "W" in about 75 Exclusive Brand Outlets (EBOs).

Omni Channel

Your Company's Omni Channel model is developing well and seamlessly integrates consumer's offline and online experiences. Our products are available on our own websites, leading e-commerce websites and across different markets.

Dividend

No dividend was recommended for the financial year as the Company would seek to maintain reserves to tide over the current tough economic environment. The Company would also seek to retain funds for possible expansion/acquisition opportunities.

Transfer of Funds to Investor Education and Protection Fund

There were no unclaimed or unpaid dividend during the previous years and hence no funds or shares were required to be transferred to Investor Education and Protection Fund during the year under review.

Reserves

The Company during the year, transferred a total comprehensive income of ₹ 684.14 million to the Retained earnings. Post transfer, the reserves stood at ₹ 2,592.40 million for financial year 2019-20.

There is no amount proposed to be transferred to the General Reserves during the year under review.

Management Discussion and Analysis Report

The Management Discussion and Analysis report for the period under review as required under

Board's Report (Contd.)

Schedule V read with Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 includes detailed information on our performance during the year as well as our approach to sustainability and risk management and is forming part of this Annual Report **on Page no. 66.**

Share Capital

ESOP Allotment

During the year under review, the Company has allotted 1,51,750 (One lakh fifty one thousand seven hundred and fifty only) equity shares of ₹ 2/- (Rupees Two) each under TCNS ESOP Scheme 2014-17, thereby the paid-up equity nominal capital of the Company increased by ₹ 3,03,500/- (Rupees Three lakh three thousand five hundred only).

Material Changes and Commitments

The Company continues to work on measures to mitigate the adverse impact of COVID-19. The Company is well positioned especially to capture sales moving from offline channel to online/market places. The Company is relooking and optimizing fixed costs like lease rentals and salaries. We aim to have FY21 exit run rate metrics similar to pre Covid levels while preserving the strength of our balance sheet.

There are no other material changes and commitments effecting the financial position of the Company, between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Further, there has been no change in the nature of business of the Company during the year.

Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company consciously makes all efforts to conserve energy across all its operations. Further your Company works on continuous technological absorption, enhancement and time to time adoption and implementation of the same. A detailed report on energy conservation and technology absorption in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed and marked as **Annexure 'B'** to this Report, the details of foreign earnings and outgo are as follows:

Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange

outgo during the year in terms of actual outflows is as follows:

(₹ in million)

Particulars	FY 2019-20	FY 2018-19
Foreign Exchange Inflow	62.99	59.38
Foreign Exchange Outflow	9.99	5.66

Directors and Key Managerial Personnel

Directors

The Board of Directors consists of six members, of which three (3) Directors are Independent Directors which includes two (2) Women Independent Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Anant Kumar Daga (DIN-07604184), Managing Director of the Company, retiring by rotation at the ensuing Annual General Meeting being eligible for reappointment, offers himself for re-appointment. A brief resume of Mr. Anant Kumar Daga along with the other details as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) is provided in the Notice for convening the 23rd Annual General Meeting of the Company.

Further, there are no changes in the Board of Directors during the financial year under review.

Key Managerial Personnel

In accordance to the provision of Section 2(51) read with Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Anant Kumar Daga, Managing Director of the Company, Mr. Venkatesh Tarakkad, Chief Financial Officer and Mr. Piyush Asija, Company Secretary and Compliance Officer of the Company, continued to be the Key Managerial Personnel of your Company.

Director's Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, confirm that:

- The applicable accounting standards have been followed with no material departure, in the preparation of the accounts for the financial year ended March 31, 2020;
- The accounting policies selected were applied

Board's Report (Contd.)

consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2020 and of the Profit of the Company for the year ended on that date;

- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis;
- v. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and those systems are adequate and operating effectively;
- vi. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal Auditors, Statutory Auditors, Secretarial Auditors and External Consultant(s) and the reviews made by the Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operationally effective during FY 2019-20.

Independent Directors

The Board of the Company comprises of three (3) Independent Directors. All the Independent Directors were appointed by the Members of the Company and letters of appointment were issued to them as per Schedule IV of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at <https://wforwoman.com/content/tnc-for-independent-directors/>.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 read with Schedule

IV and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Familiarization Programme

Every Director's letter of appointment explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The terms and conditions of the appointment are also placed on the website of the Company. Each Director is taken through a familiarization program in terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including interaction with the Managing Director, Chief Financial Officer and the Senior Management of the Company covering marketing, finance and other important aspects of the Company.

Necessary presentations, documents, reports, internal policies and updates are provided to them to familiarise them with the Company's business policies, procedures and practice from time to time. The policy on Familiarization Program for Independent Directors is placed on the website of the Company at <https://wforwoman.com/content/corporate-governance-familiarisation>.

Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board of Directors have adopted a process for evaluating its performance and effectiveness as well as that of its Committees and the Directors individually.

During the year under review, the Board carried out the evaluation of its own performance and that of its Committees and the individual Directors. In a separate meeting of the Independent Directors, performance of the Non-Independent Directors, the Board as a whole and the Chairman was also evaluated, on the basis of pre-set criterion.

The evaluation criteria included various aspects such as functionality of Board, compositions, process & procedures including adequate & timely information, attendance, delegation of responsibility, decision making, roles & responsibility including monitoring, benchmarking, feedback relationship with the stakeholders and as provided by the Guidance Note on Board Evaluation issued by SEBI dated January 05, 2017.

Board's Report (Contd.)**CORPORATE SOCIAL RESPONSIBILITY REPORT ("CSR")**

The Board pursuant to requirement of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and on the recommendation of the CSR Committee, with a vision "to actively contribute to the social and economic development of the society in which your Company operates", adopted a CSR Policy and the same is available on the website of the Company. Your Company as part of its CSR initiatives has undertaken projects/programs in accordance with the CSR Policy. The detailed report on the CSR activities is annexed and marked as **Annexure 'C'** forming part of this Report. CSR policy is available on the website of the Company at <https://wforwoman.com/content/ldr-policies/>.

SECRETARIAL STANDARDS

The Board affirms that the Company has complied with mandatory applicable Secretarial Standards (SS-1 & SS-2) issued by "The Institute of Company Secretaries of India".

EMPLOYEES**Particulars of Employees**

The disclosures required as per Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed and marked as **Annexure 'D'** to this Report.

Employee Stock Option Scheme (ESOS)

The disclosure pursuant to the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is annexed and marked as **Annexure 'E'** to this Report.

Disclosure on Sexual Harassment of Women at Workplace

Pursuant to the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace. To build awareness in this area, the Company has been conducting induction/refresher programs through external consultants and its in-house training team in the organization on a continuous basis.

There were (3) three cases reported during the year under review, which were addressed within the prescribed time. The two (2) cases have been resolved before March 31, 2020 and one (1) case of alleged discrimination was pending resolution as on March 31, 2020. The pending complaint has been addressed and closed subsequent to end of the financial year.

GOVERNANCE AND SECRETARIAL**Board and Committees Meetings**

The Board has an optimum mix of Executive, Non-Executive and Independent Directors and is headed by Mr. Onkar Singh Pasricha, an Executive Chairman. The Board of the Company is diverse in terms of qualification, competence, experience and expertise which enable it to ensure long term value creation for all stakeholders. As on March 31, 2020, the Board comprises of two Executive Directors, one Non-Executive Non-Independent Director and three Non-Executive Independent Directors. The details related to meetings of the Board, Directorships and Committees, are disclosed in the Corporate Governance Report forming part of the Annual Report as **Annexure 'J'**.

POLICIES OF THE COMPANY**Nomination & Remuneration Policy**

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and applicable rules, the Board has on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The policy forming part of this report is annexed and marked as **Annexure 'F'** and is also available on the website of the Company at <https://wforwoman.com/content/ldr-policies/>.

Policy for Determining Material Subsidiaries

The policy for determining the material subsidiaries of the Company is available on the website of the Company at <https://wforwoman.com/content/ldr-policies/>. There are no subsidiaries of the Company as on March 31, 2020.

Dividend Distribution Policy

Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates top 500 Listed Companies (on the basis of their market capitalization as calculated on the 31st day of March of every year) to frame a Policy for Distribution of Dividend. Accordingly, the Company

Board's Report (Contd.)

adopted the said policy in the Board Meeting dated May 28, 2019. This policy aims at laying down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to shareholders and/or retention or plough back of its profits. The said policy is enclosed as **Annexure 'G'** of the Report and is also available on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Whistle Blower Policy

The Company has adopted a Whistle Blower Policy as part of Vigil Mechanism to provide appropriate avenues to the Directors, employees and third parties to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Code of Conduct of the Company. Employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Ombudsman (Chairperson of Audit Committee). No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Whistle Blower Policy is available on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Risk Management

Pursuant to section 134(3)(n) of the Companies Act, 2013 and the applicable rules and regulations, the Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and also subject to its review from time to time. Risk mitigation process and measures have also been formulated and clearly spelled out in the said policy. The policy is available on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Code of Conduct

The Board of Directors have approved and adopted a Code of Conduct for Directors and Senior Management of the Company. An annual affirmation of compliance with the Code of Conduct is taken from all the Directors and Senior Management of the Company to whom the Code applies. The Code of Conduct is also available on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

The affirmation by the Managing Director that the Code of Conduct has been complied by the Board of Directors and Senior Management employees forms part of the Corporate Governance Report.

Prevention of Insider Trading

The Company has formulated and adopted a Policy and a Code of Fair Disclosure in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The policy lays down the guidelines, procedures to be followed from time to time and disclosures to be made while dealing with the securities of the Company along with consequences for violation. The policy is formulated to regulate, monitor and ensure reporting of deals by designated persons and maintain highest level of ethical standards while dealing in the Company's securities. The Company's Insider Trading Policy, Code of Fair Disclosure is also placed on the website of the Company at <https://wforwoman.com/content/insider-trading-policy/>.

Web links of the Other Statutory Policies of the Company

Name of the Policy	Web link
Content Archival Policy	https://wforwoman.com/content/lodr-policies/
Code of Business Conduct & Ethics	https://wforwoman.com/content/lodr-policies/
Policy Determining Material Subsidiaries	https://wforwoman.com/content/lodr-policies/
Policy for Determination of Materiality and Disclosure of Information	https://wforwoman.com/content/lodr-policies/
Policy on Nomination Remuneration and Board Diversity	https://wforwoman.com/content/lodr-policies/
Policy on Dealing with Related Party Transactions	https://wforwoman.com/content/lodr-policies/
Risk Assessment and Management Policy	https://wforwoman.com/content/lodr-policies/
Preservation of Documents	https://wforwoman.com/content/lodr-policies/
Dividend Distribution Policy	https://wforwoman.com/content/lodr-policies/

General Body Meetings

During the financial year under review, the 22nd Annual General Meeting of the Company was held on August 26, 2019. No Extraordinary General Meeting was conducted during the year under review.

Board's Report (Contd.)

Pubic Deposits

The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, during the financial year under review.

Particulars of Investments, Loans and Guarantees

There were no Investments, Loans and Guarantees provided, as covered under the provisions of Section 186 of the Companies Act, 2013 read with the rules made thereunder, during the financial year under review.

Significant and Material Orders passed by the Regulators

Income tax refund

The Company had claimed credit in relation to deduction of fair value impact of share based payments to employees in the Income Tax return filed for the Assessment year 2017-18 (Financial year ended March 31, 2017). During the current year, the Company has received Income Tax Assessment order for Assessment year 2017-18, wherein the tax credit of ₹ 243.66 million along with interest of ₹ 35.98 million has been allowed. Based on the assessment order, the Company has recognised the above tax refund and interest (included under Other Income) during the year ended March 31, 2020. The Company has received the refund amount subsequent to the year end.

Environment, Health and Safety

The environmental cleanliness and safety is a key focus area. Your Company aims to grow its business while minimizing the adverse impact of expansion on the environment. The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing. Further in alignment with Company's safety standards and training provided, employees adhere to required norms and comply with relevant statutory provisions. The Company provides a safe and healthy workplace with an aim to achieve zero injuries to all its employees and all stakeholders associated with the Company's operations.

The Company has established and implemented a Work From Home Policy (WFH) through which it enabled the employees to work from home. The Company has formulated health and safety protocols for all its employees including front end retail

employees. Standard operating procedures at the Company's office, warehouses and store premises include regular thermal scanning, compulsory wearing of masks, maintaining social distancing norms, regular washing of hands with soap, sanitization of premises and other safety procedures as prescribed by the appropriate authorities from time to time.

Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is forming part of this report marked and annexed as **Annexure 'H'** and also placed on the website of the Company at <https://wforwoman.com/content/investor-relation/>.

Business Responsibility Report

The Regulation 34(2)(f) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, mandates the inclusion of Business Responsibility Statement ('BRR') for top 1000 listed companies based on market capitalization. Your Company has commented on the sustainability initiatives and partnerships in the Business Responsibility Report in line with the points in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' framed by the Ministry of Corporate Affairs. The Business Responsibility Report forms a part of this Annual Report and marked and annexed as **Annexure 'I'**.

Corporate Governance Report

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate issued by Practicing Company Secretary in terms of Part E of Schedule V of the said Regulations of the Company forms the integral part of Corporate Governance Report, marked and annexed as **Annexure 'J'**.

AUDITORS AND AUDIT REPORT

Adequacy of Internal Financial Controls with reference to the financial statements

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. Further, audit procedures monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with

Board's Report (Contd.)

operating procedures, accounting procedures and policies at all locations of the Company. Based on the audit reports, corrective actions in respective areas are taken to strengthen the controls. Significant audit recommendations and corrective actions thereon were presented to the Audit Committee of the Board periodically.

The Board of Directors of the Company have adopted various policies viz. Policy on Related Party Transactions, Whistle Blower Policy, Policy to determine material subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business, safeguarding 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.

AUDIT REPORT

There are no qualifications or adverse observations or remarks made by the Statutory Auditors in their Report. Further there were no instances of frauds reported by Statutory Auditors under sub-section (12) of section 143.

STATUTORY AUDITORS

As per the provisions of Section 139 of the Act, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants., (ICAI Firm Reg. No. 117366W/W-100018) were appointed as Statutory Auditors of the Company by the members at the 20th Annual General Meeting held on August 27, 2017 for a term of five (5) consecutive years subject to ratification by the Members at every Annual General Meeting. However, pursuant to the Companies (Amendment) Act, 2017 and Notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement for ratification of appointment of Statutory Auditors has been dispensed with. In view of above, ratification of the members at Annual General Meeting is not being sought.

SECRETARIAL AUDIT

During the year under review, the Board of Directors of the Company had appointed M/s Himanshu G And Associates C. P. No.-10398 (Company Secretary in Whole-time Practice), to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013, the Rules framed thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year

2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 was considered by the Board in its meeting held on June 20, 2020 and the said Report given by Secretarial Auditors is annexed to this Report as **Annexure 'K'**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks which need any explanation or comments of the Board.

The Board in its meeting dated June 20, 2020 has appointed M/s Sanjay Grover & Associates, Practising Company Secretaries (Firm Registration No.: P2001DE052900) as the Secretarial Auditors of the Company for the FY 2020-21.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the period under review were placed before the Audit Committee and the Board for their approval, and the same are disclosed in note no. 37 of the financial statements of your Company.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all contracts/arrangements/transactions entered into by the Company with its related parties, during the year under review, were in ordinary course of business of the Company and on an arm's length basis and all transactions with related parties are in accordance with the policy on related party transactions, formulated by the Company and are reviewed on a periodic basis.

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Accordingly, form AOC-2, containing the details on the related party transactions occurred during the year is annexed and marked as **Annexure 'L'**.

HUMAN RESOURCE

The Human Resource Development team of the Company is focused on delivering right talent and empowering the existing talent to perform at their optimum capacity. This enables the employees to fully utilise their skill for their personal development and development of your Company as a whole. During the lockdown period especially, the Human Resource team has taken many initiatives to keep employees engaged, motivated and continue working on skill development.

Board's Report (Contd.)**MAINTENANCE OF STATUTORY COST RECORDS REQUIRED UNDER SECTION 148(1) OF COMPANIES ACT, 2013**

The provisions of Section 148(1) of the Act for maintenance of cost records specified by the Central Government are not applicable in respect of products and services of your Company.

For **TCNS CLOTHING CO. LIMITED**

Sd/-

ANANT KUMAR DAGA

Managing Director

DIN: 07604184

Place: New Delhi

Date: June 20, 2020

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation for the excellent support and co-ordination extended by the shareholders, customers, suppliers, bankers, and all other business associates. Your Directors gratefully acknowledges ongoing co-operation and support provided by Central Government, State Government, and all regulatory authorities. Last but not the least, we would like to thank and acknowledge the efforts of all our employees. We wish everyone good health.

Sd/-

ONKAR SINGH PASRICHA

Chairman & Executive Director

DIN: 00032290

Board's Report (Contd.)**Annexure 'B'**

The information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is as follows:

(A) CONSERVATION OF ENERGY

The Company continues to take steps to absorb and adopt the latest technologies and innovations in the Apparel and Retail Industry. These initiatives enable its Vendors to become more efficient and productive and also leads to conservation of energy. Conservation of energy is considered to be a priority and therefore ensuring minimum consumption by way of better energy conservation programmes, training/awareness of the employees and prompt upkeep is a continuous exercise.

The steps taken or impact on conservation of energy: The Company has been continuously encouraging its partners to improve focus on technology improvement and training to ensure efficient use of resources, especially of common resources such as water and energy.

The steps taken by the Company for utilizing alternate sources of energy: The Company encourages its partners to explore sustainable energy sources to the extent possible.

The capital investment on energy conservation equipments: Not Applicable.

(B) TECHNOLOGY ABSORPTION

The Company continues to use the latest technologies for improving the productivity and quality of its products. The Company is keeping track of latest developments and encourages its partners to adopt the same.

The Company continues to make focused investments in technology & operations by building up its Omni Channel capabilities, to provide seamless shopping experiences to its customers. The Company is also working on

improving experience at its outlets by the use of technology (both hardware and software tools).

The efforts made towards technology absorption: The Company keeps itself updated on latest technology in the industry and encourages its partners to invest in the same. Further as a part of efforts in this regard the Company provides support to its partners with necessary guidance, training, advances and financial support, if any required.

The benefits derived like product improvement, cost reduction, product development or import substitution: With the adoption of new technology from time to time, the efficiency and capacity with respect to manufacturing has been increased resulting in better quality of products, quicker and more efficient processing at lower costs.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): The Company does not directly import technology, but encourages its partners to do so.

- (a) The details of technology imported: Not Applicable
- (b) The year of import: Not Applicable
- (c) Whether the technology been fully absorbed: Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
- (e) The expenditure incurred on Research and Development: Not Applicable

For and on behalf of the Board of Directors

Sd/-

ONKAR SINGH PASRICHA

Chairman and Executive Director

DIN: 00032290

Date: June 20, 2020

Place: New Delhi

Board's Report (Contd.)**Annexure 'C'****CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT****ANNUAL REPORT ON CSR ACTIVITIES**

1. BRIEF OUTLINE OF THE POLICY: The Company has been undertaking and implementing CSR activities mainly through Indus Quality Foundation ("IQF") and Kalgidhar Society to provide financial assistance to the poor and needy and contributes to promote various social, cultural and philanthropic activities. The Company is committed to carry out CSR activities/programs in an integrated, planned and time bound manner. The CSR Policy of the Company can be viewed at <https://wforwoman.com/content/lodr-policies/>. The core theme of CSR Policy is giving back to the society from which it draws its resources. The focus areas are as stated below:

- Education
- Sustainability
- Women Empowerment
- Agriculture
- Rural Development Programme
- Health & Nutrition
- Slum Area Development

2. COMPOSITION OF COMMITTEE: A Board Committee has been constituted as CSR Committee that provides oversight of CSR policy and activities to ensure that the CSR objectives of the Company are met. The CSR Committee comprises of following Directors:

- Mr. Onkar Singh Pasricha
- Ms. Sangeeta Talwar
- Ms. Neeru Abrol
- Mr. Bhaskar Pramanik

3. AVERAGE NET PROFITS OF THE COMPANY FOR LAST THREE YEARS: ₹ 1,383.79 million

PRESCRIBED CSR EXPENDITURE (2% OF THE AMOUNT AS IN ITEM 3 ABOVE): ₹ 27.68 million

4. DETAILS OF CSR AMOUNT SPENT DURING THE FINANCIAL YEAR:

- Total amount spent for the financial year 2019-20:** ₹ 25.87 million
- Amount unspent:** ₹ 18.57 million (includes carry forward amount of ₹ 16.76 million from previous year)
The unspent amount would be spent in next financial years.

Board's Report (Contd.)

c. Manner in which the amount was spent during the current financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise ₹ in million	Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads ₹ in million	Cumulative expenditure spent up to the reporting period ₹ in million	Amount spent: Direct or through Implementing Agency
1	IQF Inter School Events in multiple schools, Student Training for class 8 th to 12 th , IQF Teacher training workshops conducted in schools and B.Ed Colleges at Delhi NCR and Value Education Program for students of class 4 th to 9 th . Conducting of Student development workshops and Inter School events conducted, mind development programs for children, promoting sports.	Education	Delhi NCR; Dehradun, Uttarakhand; Bhatinda, Punjab; Guwahati, Assam and Khetri, Rajasthan	10.21	6.06 1.24	7.30	Indus Quality Foundation (Direct)
2	GGSIES A Unit of IQF :-Academic Education in a School, Animal welfare, Agroforestry, Rural development projects	Education and Rural Development Projects	Jammu, J & K and Madikeri, Karnataka	16.06	16.42 0.76	24.48	Indus Quality Foundation (Direct)
3	Free academic coaching, Supply of nutritional supplements to children, promoting arts and sports, free health check-up's, Helping children to get admission in private schools in EWS category.	Slum Area Development	Bishanpura, Khoda Colony, Noida, Uttar Pradesh and Kusumpur Pahadi Slum, Delhi NCR	0.08	0.06 0.00	24.54	Indus Quality Foundation (Direct)

Board's Report (Contd.)

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise ₹ in million	Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads ₹ in million	Cumulative expenditure spent up to the reporting period ₹ in million	Amount spent: Direct or through Implementing Agency
4	The Earth Saviours Foundation: - Rescue center to look after mentally disabled people for abandoned senior citizens, mentally disabled, bed ridden people, HIV infected, people suffering with incurable disease and other less privileged people.	Health Care (Gifting of Ambulance)	Gurugram, Haryana	1.24	1.24 0.00	25.78	The Earth Saviours Foundation (Implementing Agency)
5	Contribution to Deaf Cricket Society- An organization of Cricket for the deaf, to organise local level tournaments to spot talent, develop teams of coaches, physiotherapists, trainers, umpires and other team support personnel.	Nationally Recognised Sports	Delhi NCR	0.09	0.09 0.00	25.87	TCNS Clothing Co. Limited (Direct)
Total				27.68	25.87		

5. Responsibility Statement: The Committee reports that implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the Company.

Place: New Delhi
Date: June 20, 2020

Sd/-
ANANT KUMAR DAGA
Managing Director
DIN: 07604184

Sd/-
ONKAR SINGH PASRICHA
Chairman & Executive Director
DIN: 00032290

Board's Report (Contd.)

Annexure 'D'

Details of Remuneration of Directors, Key Managerial Personnels (KMP's) and Employees

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2019-20, the percentage increase in remuneration of each of the Executive Director, Chief Financial Officer and Company Secretary during the Financial Year 2019-20 is as follows:

S. No.	Name of Executive Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2019-20-(17(1)+17(2)+Retrials (Amount In ₹)	% increase in Remuneration in Financial Year 2019-20(%)	Ratio of Remuneration of Director to Median Remuneration of employees
1.	Mr. Onkar Singh Pasricha, Chairman and Executive Director	₹ 30,00,192/-	6%	15
2.	Mr. Anant Kumar Daga, Managing Director*	₹ 2,54,66,940/-	(95.89)%	126
3.	Mr. Venkatesh Tarakkad, Chief Financial Officer	₹ 1,21,49,304/-	10%	60
4.	Mr. Piyush Asija, Company Secretary**	₹ 65,21,570/-	26%	32

Note:

- The Non-Executive Directors are not paid any remuneration except the sitting fee and commission within the prescribed limits as disclosed in Annexure 'J'.
- *The decrease in remuneration of Mr. Anant Kumar Daga is due to perquisite value of Employee Stock Options exercised last year being included in remuneration last year as per disclosure requirements.
- **Includes perquisite value of ESOP exercised during the year.

(ii) The number of permanent employees as on March 31, 2020 were 3,947 and the median remuneration was ₹ 2,01,625 annually. The median remuneration of employees (excluding above Directors and KMPs) in Financial Year 2019-20 is similar to previous year.

(iii) The remuneration of Directors, KMPs and other employees is in accordance with the Remuneration Policy of the Company which is uploaded on the website of the Company.

The average remuneration of Managerial Personnel has decreased by (92.59)%.

The average remuneration of employees other than Managerial Personnel has increased by 10.20%.

Board's Report (Contd.)

Annexure 'E'

Reg. 14 Disclosures in respect of grants made in three years prior to IPO under TCNS ESOP Scheme 2014-17 (All the below mentioned ESOP Plans consolidated under TCNS ESOP Scheme 2014-17):

ESOP Plans	Date of Grant	Number of option granted	No. of options exercised	No. of options cancelled	No. of options lapsed	No. of options outstanding as on March 31, 2020
TCNS Employee Stock Option Plan 2014	July 1, 2014 and March 16, 2015	69,00,000	68,67,000	-	-	33,000
TCNS Senior Management Stock Option Plan 2015	November 19, 2015	39,25,000	25,00,000	-	1,25,000	13,00,000
TCNS Employee Stock Option Plan 2015	November 19, 2015	6,00,000	1,56,750 (includes 5,000 exercised last year)	-	40,000 (includes 25,000 from last year)	40,3250
TCNS Senior Executive Stock Option Plan 2015	November 19, 2015	2,00,000	17,631	-	-	1,82,369
TCNS Employee Stock Option Plan 2017	June 27, 2017	1,07,500	-	-	-	1,07,500
TCNS Employee Stock Option Plan 2018	May 28, 2018	62,500	-	-	-	62,500
Total Options outstanding under TCNS ESOP Scheme 2014-17 as on March 31, 2020.*						20,88,619

*During the FY 18-19, 25,000 options lapsed which are added back to the scheme pool.

*During the FY 19-20, 15,000 options lapsed which are added back to the scheme pool.

Further there is an un-granted pool of 5,000 options in TCNS Senior Management Stock Option Plan 2015.

Reg. 14. Disclosures in respect of grants made in three years prior to IPO under TCNS ESOP Scheme 2018-23:

Date of Grant	Number of option granted	No. of options exercised	No. of options cancelled	No. of options lapsed/forfeited	No. of options outstanding as on March 31, 2020
February 02, 2018	50,72,751	-	-	-	50,72,751
November 08, 2019	83,800	-	-	-	83,800
Total Options outstanding under TCNS ESOP Scheme 2018-23 as on March 31, 2020.					51,56,551

Board's Report (Contd.)

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended: TCNS ESOP Scheme 2014-17:

A GENERAL DISCLOSURE		Disclosures in terms of the Guidance note on accounting for employee share-based payments or any other relevant accounting standards: For details please refer to notes to Financial Statement mentioned in Annual Report 2019-20.					
B SUMMARY		TCNS ESOP Scheme 2014-17					
Description	TCNS Employee Stock Option Plan 2014	TCNS Senior Management Stock Option Plan 2015	TCNS Employee Stock Option Plan 2015	TCNS Senior Executive Stock Option Plan 2015	TCNS Employee Stock Option Plan 2017	TCNS Employee Stock Option Plan 2018	
1	Date of Shareholders approval	July 1, 2014 and March 16, 2015 Subsequently ratified on August 26, 2019	November 19, 2015	November 19, 2015, amended on June 27, 2017	November 19, 2015	November 19, 2015	November 19, 2015
2	Total number of options approved under the scheme	69,00,000	39,75,000	6,00,000	2,00,000	1,07,500 (part of the pool approved under TCNS Senior Management Stock Option Plan 2015)	62,500 (part of the pool approved under TCNS Senior Management Stock Option Plan 2015)
3	Date of Grant	July 01, 2014 and March 16, 2015	November 19, 2015	June 27, 2017	November 19, 2015	June 27, 2017	May 28, 2018
4	Options Granted	1,17,95,000					
5	Vesting Schedule	Refer Notes on Vesting Conditions					
6	Pricing Formula	At a price as recommended by Board and approved by the Shareholders of the Company					
7	Maximum term of options granted	10 years	10 years	10 years	10 years	10 years	10 years
8	Source of shares	Primary	Primary	Primary	Primary	Primary	Primary
9	Variation in terms of options	Enhanced share limit of the plan from 1,18,00,000 options to 1,38,00,000 on March 16, 2015	NA	Amendment to TCNS ESOP Plan 2015 on June 27, 2017 Change in vesting Conditions.	NA	NA	NA

Board's Report (Contd.)

Description	TCNS Employee Stock Option Plan 2014	TCNS Senior Management Stock Option Plan 2015	TCNS Employee Stock Option Plan 2015	TCNS Senior Executive Stock Option Plan 2015	TCNS Employee Stock Option Plan 2017	TCNS Employee Stock Option Plan 2018	
10	Method used for accounting of ESOP	The ESOP's are measured at fair value of the equity instruments at the grant date, Details are forming part of the financial statements.					
11	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	10.84					
	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time	All relevant disclosures have been made in the notes to financial statements adequately.					
12	Weighted average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Nil Below market price: The Weighted average exercise price of the options exercised post listing of shares are ₹ 300 per option and Weighted fair market value of Options are ₹ 117.56 per option. Equal market price: Not Applicable Exceed market price: Not Applicable					

Board's Report (Contd.)

C	Options Movement during the year		TCNS Employee Stock Option Plan 2014	TCNS Senior Management Stock Option Plan 2015	TCNS Employee Stock Option Plan 2015	TCNS Senior Executive Stock Option Plan 2015	TCNS Employee Stock Option Plan 2017	TCNS Employee Stock Option Plan 2018
	Description							
1	Options Outstanding at the beginning of the year	33,000	13,00,000	5,70,000	1,82,369	1,07,500	62,500	
2	Option Granted during the year	-	-	-	-	-	-	
3	Options vested during the year	-	-	1,42,500	-	26,875	15,625	
4	Options exercised during the year	-	-	151,750	-	-	-	
	Weighted average exercise price	76	100	300	100	300	372	
5	No. of shares arising as a result of exercise of options during the year	-	-	1,51,750	-	-	-	
6	Options cancelled & lapsed during the year	-	-	15,000	-	-	-	
7	Options Outstanding at the end of the year	33,000	13,00,000	4,03,250	1,82,369	1,07,500	62,500	
8	Options exercisable at the end of the year	33,000	13,00,000	1,33,250	1,82,369	80,625	15,625	
9	Money realised by exercise of options (in ₹)	-	-	45,52,5000	-	-	-	
10	Loan repaid by the trust during the year from the exercise price received	NA	-	-	-	-	-	

Board's Report (Contd.)

D	Options granted to Senior Management personnel	Name of the employee with Designation	No. of Options granted during the year	Exercise Price			
	NA	-	-	NA	-	-	-
E	Options granted to any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil	Nil	-	-	-	-
F	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil					
G	A description of the method and significant assumptions used during the year to estimate the fair value of options	Refer Note-I					

Note-I: Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.

Board's Report (Contd.)

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017	Fiscal 2018	Fiscal 2019
	TCNS ESOP 2014	TCNS Senior Management Stock Option Plan 2015	TCNS Senior Executive Stock Option Plan 2015	TCNS Senior Management Stock Option Plan 2015	TCNS Senior Management Stock Option Plan 2015	TCNS Employees Stock Option Plan 2017 & TCNS Employees Stock Option Plan 2015 amended in June 2017	
Grant Date	July 1, 2014	March 16, 2015	November 19, 2015	April 1, 2016	June 27, 2017	May 28, 2018	
Weighted average share price	261.28	261.28	261.28	261.28	261.28	261.28	288.68
Exercise Price	76.00	80.00	100.00	100.00	100.00	300.00	372
Volatility (%)	49.26-49.39	49.26-49.39	49.26-49.39	49.39	49.26-49.39	45.83	45.17
Life of the options granted (in years)	1.88-2.59	1.88-2.59	2-2.63	1.77-2	2-2.63	5	5
Expected dividends	-	-	-	-	-	-	-
Average risk free Interest rate (%)	6.85-6.87	6.85-6.87	6.85-6.87	6.85	6.85-6.87	6.68	7.76
The method used and the assumptions made to incorporate the effects of expected early exercise	Black Scholes Method						
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Based on the historical volatility of historical companies over periods corresponding to the remaining life of respective options.						
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	NA						

Board's Report (Contd.)

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014, as amended:
TCNS ESOP Scheme 2018-23:

A	General Disclosure	Disclosures in terms of the Guidance note on accounting for employee share-based payments or any other relevant accounting standards: For details please refer to notes to Financial Statement mentioned in Annual Report 2019-20	
B	Summary	TCNS ESOP Scheme 2018-23	
	Description		
1	Date of Shareholders approval	TCNS ESOP Scheme 2018-23 was approved by the shareholders on February, 02, 2018, ratified and amended on August 26, 2019.	
2	Total number of options approved under the scheme	64,67,817	
3	Date of Grant	February 02, 2018	November 08, 2019
4	Options Granted	50,72,751	83,800
5	Vesting Schedule	Refer Note on Vesting Condition	
6	Pricing Formula	At a price as recommended by the Nomination and Remuneration Committee and approved by Shareholders.	
7	Maximum term of options granted	10 years	
8	Source of shares	Primary	
9	Variation in terms of options	NA	
10	Method used for accounting of ESOP	The ESOP's are measured at fair value of the equity instruments at the grant date, Details are forming part of the financial statements	
11	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	NA	-
	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time:	All relevant disclosures have been made in the notes to financial statements adequately.	
12	Weighted average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	NA	

Board's Report (Contd.)

C Options Movement during the year		TCNS ESOP Scheme 2018-23	
1	Options Outstanding at the beginning of the year	50,72,751	
	Weighted average exercise price	₹ 373.26/-	
2	Option Granted during the year	83,800	
	Weighted average exercise price	₹ 716/-	
3	Options vested during the year	Nil	
	Weighted average exercise price	NA	
4	Options exercised during the year	NA	
	Weighted average exercise price	NA	
5	No. of shares arising as a result of exercise of options during the year	NA	
6	Options cancelled & lapsed during the year	NA	
	Weighted average exercise price	NA	
7	Options Outstanding at the end of the year	51,56,551	
	Weighted average exercise price	₹ 378.83	
8	Options exercisable at the end of the year	10,28,770	
	Weighted average exercise price	₹ 373.26/-	
9	Money realised by exercise of options (in ₹)	NA	
10	Loan repaid by the trust during the year from the exercise price received	NA	
D	Options granted to Senior Management personnel	Name of the employee with Designation	No. of Options granted during the year
		Mr. Somdeb Basu-Head (Accessories)	83,800
	Exercise Price	₹ 716 per option	
E	Options granted to any employee during the year amounting to 5% or more of options granted during the year.	Nil	Nil
F	Options granted to any employee equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil	
	Description	TCNS ESOP Scheme 2018-23	
G	A description of the method and significant assumptions used during the year to estimate the fair value of options	Refer Note-I	

Board's Report (Contd.)

Note-I: Method and significant assumptions used to estimate the fair value of options granted during the year including weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option

Particulars	Grant Date- February 02, 2018	Grant Date -November 8, 2019
Weighted average share price	₹ 288.68	₹ 727.95
Exercise Price	₹ 373.26	₹ 716.00
Volatility	44.28%	35.23%
Life of the options granted in years	2.75 years	5 years
Average risk free Interest rate	7.16%	6.31%
Expected dividends	Nil	Nil
The method used and the assumptions made to incorporate the effects of expected early exercise	Nil	Nil
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Based on the historical volatility of historical companies over periods corresponding to the remaining life of respective options.	Based on the historical volatility of historical companies over periods corresponding to the remaining life of respective options.
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	N.A	N.A

Note on Vesting Conditions**TCNS Employee Stock Option Scheme 14-17****TCNS Senior Management Stock Option Plan 2015**

Date of Vesting	Vesting condition	Total Options ₹ 2 each
April 01, 2017	EBITDA of the Company for FY 2016-17 exceeds ₹ 1,500 million#	18,75,000
April 01, 2018	EBITDA of the Company for FY 2017-18 exceeds ₹ 1,900 million#	18,75,000
On completion of one year from the date of Grant or the date of achieving the vesting condition, whichever is later	Launch of website as well as the mobile application for online sales	50,000
	Monthly sales via online platforms on or before June 30, 2016 exceeds ₹ 60 million	25,000
	Monthly sales via online platforms on or before September 30, 2016 exceeds ₹ 10 million but not more than ₹ 90 million.	25,000
	Monthly sales via online platforms on or before September 30, 2016 exceeds ₹ 90 million	50,000
	Monthly sales via online platforms on or before December 31, 2016 exceeds ₹ 50 million	50,000

TCNS Senior Executive Stock Option Plan 2015

Date of Vesting	Vesting condition	Total Options ₹ 2 each
April 01, 2017	4.5% (Incremental EBIDTA i.e. EBIDTA 16-17 minus EBIDTA 15-16)/15 EBIDTA/Number of shares (Value per share) - Exercise Price.	2,00,000
April 01, 2018	4.5% (Incremental EBIDTA i.e. EBIDTA 17-18 minus EBIDTA 16-17)/15 EBIDTA/Number of shares (Value per share) - Exercise Price.	

With a flexibility of 5% on lower side, subject to approval. In case of a Liquidity Event, the next tranche of Options due, if any for Vesting shall be deemed to have been vested on the date of Liquidity Event or one from the date of grant, whichever is later.

Board's Report (Contd.)**TCNS Employee Stock Option Plan 2017**

Date of Vesting	Vesting condition	Total Options ₹ 2 each
July 01, 2018	Continuing in employment of the Company until completion of Vesting Period of 1 year from the Grant Date	26,875
May 15, 2019	Continuing in employment of the Company until date of Vesting	26,875
May 15, 2019	Continuing in employment of the Company until date of Vesting	26,875
Date of listing of shares of the Company post IPO or the date of completion of 1 year of Vesting Period, whichever is later	Continuing in employment of the Company until successful IPO of the Company	26,875

TCNS Employee Stock Option Plan 2015 (Amended In 2017)

Date of Vesting	Vesting condition	Total Options ₹ 2 each
July 01, 2018	Continuing in employment of the Company until completion of Vesting Period of 1 year from the Grant Date	1,50,000
July 01, 2019	Continuing in employment of the Company until completion of Vesting Period of 2 years from the Grant Date	1,50,000
July 01, 2020	Continuing in employment of the Company until completion of Vesting Period of 3 years from the Grant Date	1,50,000
July 01, 2021	Continuing in employment of the Company until completion of Vesting Period of 4 years from the Grant Date	1,50,000

TCNS Employee Stock Option Plan 2018

Date of Vesting	Vesting condition	Total Options ₹ 2 each
May 28, 2019	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2020	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2021	Continuing in employment of the Company until date of Vesting	15,625
May 28, 2022	Continuing in employment of the Company until date of Vesting	15,625

Board's Report (Contd.)**TCNS ESOP Scheme 2018-23 (Options granted on February 02, 2018)**

Vesting condition	Total Options (of face value of ₹ 2 each)
(i) Upfront ESOP Pool: Vest automatically upon expiry of a period of 1 (one) year from the date of grant i.e. by February 01, 2019	10,28,770
(ii) Threshold 1 ESOP Pool: Threshold 1 ESOP Pool shall vest upon the occurrence of Threshold 1 liquidity event or deemed Threshold 1 liquidity event or IPO full exit event. "Threshold 1 Liquidity Event" means: (a) a sale by the Investor of all or any part of the Shares; or (b) the Investor having received a confirmed offer from a third party for the purchase of all Shares held by the Investor, at a price per Share which is more than the Threshold 1 Sale Price i.e. ₹ 947.36.	14,32,811
(iii) Threshold 2 ESOP Pool: Threshold 2 ESOP Pool shall vest upon the occurrence of Threshold 2 liquidity event or deemed Threshold 2 liquidity event or IPO full exit event. "Threshold 2 Liquidity Event" means: (a) a sale by the Investor of all or any part of the Shares; or (b) the Investor having received a confirmed offer from a third party for the purchase of all Shares held by the Investor, at a price per Share which is more than the Threshold Sale Price i.e. ₹ 1,171.72.	26,11,171
Total options granted	50,72,751

TCNS ESOP Scheme 2018-23 (Options granted on November 08, 2019)

Vesting Condition	Date of Vesting	Vesting schedule
1 st Vesting	November 09, 2020	20% of the options
2 nd Vesting	November 09, 2021	20% of the options
3 rd Vesting	November 09, 2022	20% of the options
4 th Vesting	November 09, 2023	20% of the options
5 th Vesting	November 09, 2024	20% of the options

Board's Report (Contd.)**Annexure 'F'****POLICY ON NOMINATION, REMUNERATION AND BOARD DIVERSITY**

[Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Effective Date: February 02, 2018 and amended on February 08, 2019.

1. PREAMBLE

The Board of Directors (the "**Board**") of TCNS Clothing Co. Limited ("**Company**") on the recommendation of Nomination and Remuneration Committee (the "**Committee**") has approved and adopted this Nomination, Remuneration and Board Diversity Policy (the "**Policy**") in compliance with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

2. OBJECTIVES

The main objectives of this Policy are:

- (a) To lay down the criteria and the terms and conditions with regard to identifying the relevant person(s) who are qualified to become Directors (Executive and Non-Executive including Independent Directors), key managerial personnel ("**KMP**") and persons who may be appointed in Senior Management positions.
- (b) To lay down criteria for determining the Company's approach to ensure adequate diversity in its Board.
- (c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage for the Company.
- (d) To determine remuneration framework of Directors, KMPs and other Senior Management Personnel's keeping in view all relevant factors including industry trends and practices.

3. ATTRIBUTES, QUALIFICATIONS AND DIVERSITY

Directors and Key Managerial Personnel

- (i) The Committee shall be responsible for identifying a suitable candidate for appointment as Director or as KMP of the Company.

- (ii) The Company recognises the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. On such basis, the Board of the Company consists of such number of Directors as is necessary to effectively manage the Company, subject to a minimum of 3 (three) and maximum of 15 (fifteen) Directors with an appropriate combination of Executive, Non-Executive, Independent Director and Woman Director. The Company shall also appoint a Chairman and a Managing Director or Chief Executive Officer. The Company shall ensure that the role of the Chairman, and Managing Director or Chief Executive Officer shall not be exercised by the same individual.
- (iii) While evaluating a person for appointment /re-appointment as Director or as KMP the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, abilities (ability to exercise sound judgement), professional experience & functional expertise, educational and professional background, personal accomplishment, age, experience, understanding of the telecommunication sector/industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board. The Director or as KMP will also be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.
- (iv) The Committee shall ensure that the proposed director satisfies the following additional criteria:
 - Eligible for appointment as a Director on the Board of the Company and is not disqualified in terms of Section 164 and other applicable provisions of the Companies Act 2013 and the Listing Regulations.

Board's Report (Contd.)

- A Managing Director or Whole-time Director or Manager should in addition to the above fulfill the conditions specified in Section 196 of the Act.
- The Company shall not appoint or continue the employment of any person as Managing Director/Whole Time Director/Manager who is below the age of twenty one years or has attained the age of seventy years. Further, Company shall not appoint or continue the employment of any person as non-executive director who has attained the age of seventy five years.

Provided that such aforesaid threshold age may be extended beyond the age of seventy five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for such extension.
- Does not hold directorship in more than 20 (twenty) companies (including private and public limited companies) or 10 (ten) public limited companies incorporated in India.
- (v) A whole time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- (vi) While evaluating a person for appointment/re-appointment as an independent director, the Committee shall ensure that the proposed appointee satisfies the following additional criteria:
 - Meet the baseline definition and criteria of "independence" as set out in Section 149 of the Companies Act, 2013, the Listing Regulations and other applicable laws.
 - shall not hold the position of independent director in more than 7 (seven) Indian listed companies and if serving as a Whole-Time Director/Managing Director in any Indian listed

company then in not more than 3 (three) Indian listed companies as required and specified under Regulation 17A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

- Should not hold any board/ employment position with a competitor in the geographies where the Company is operating. However, the Board may in special circumstances waive this requirement.
- (vii) The re-appointment/extension of term of any Board members shall be on the basis of their performance evaluation report.

Note: Senior Management means officers/ personnel of the Company who are members of its core management team excluding the Board of Directors and normally this shall comprise of all members of management one level below the Chief Executive Officer/Managing Director/ Whole Time Directors/Manager (including chief executive officer/manager in case they are part of the board) and shall specifically include Company Secretary and Chief Financial Officer..

4. TERM/ TENURE

- (a) Managing Director/Whole Time Director/Manager

The Company shall appoint or re-appoint any person as its Managing Director and CEO or whole time Director for a term not exceeding five years at a time. Re-appointment shall be made before the expiry of term, based on an evaluation of the performance for a minimum period of three years.
- (b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

5. REMUNERATION POLICY

- (a) Board Members

The overall limits of remuneration (including the sitting fees and profit linked commission of the Board members including executive Board members (i.e. Managing Director,

Board's Report (Contd.)

Whole-Time Director, Executive Directors etc.) and Non-Executive Directors are governed by the provisions of the Companies Act, 2013 and rules made thereunder and approval obtained from the shareholders of the Company.

Within the overall limit approved by the shareholders, on the recommendation of the Committee, the Board shall determine the remuneration. The Board can determine different remuneration for different Directors on the basis of their role, responsibilities, duties, time involvement etc.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company. Any remuneration paid to Director for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of this clause (a) if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- (b) Remuneration to Key Managerial Personnel (other than Managing Director and Whole-Time Director), Senior Managerial Personnel
- The remuneration of KMP's (other than Managing Director and Whole Time Director), Senior Management shall be approved by the Board and any revision thereof shall be done as per the compensation and appraisal policy of the Company.

The remuneration payable to KMP's (other than Managing Director and Whole-Time Director), Senior Management Personnel shall consist of (a) fixed pay, which is payable monthly and include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per the Company's policy; (b) variable pay (paid at the end of financial year) directly linked to the performance of the individual employee (i.e.

achievement against pre-determined KRA's), his/her respective business unit and the overall Company performance; (c) long term incentive/ESOPs, as may be decided by the Committee from time to time.

The Committee may periodically review the remuneration payable to the Directors, Senior Management personnel and Key Managerial Personnel and recommend any revision thereof on the basis of financial condition of the Company and performance of the Director, Senior Management Personnel and or Key Managerial Personnel.

- (c) Loan and advances to Directors, Key Managerial Personnel, and Senior Management Personnel The Committee shall review and approve the loans and advances to Directors in line with the requirements of provisions of Companies Act, 2013 and rules made there under. Loan and advances to Key Managerial Personnel, Senior Management should be as per the Company's compensation and appraisal policy.

6. PERFORMANCE EVALUATION OF DIRECTORS

The Nomination and Remuneration Committee shall specify the manner and criteria for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, or by Committee or by an independent external agency and review its implementation and compliance.

7. DISCLOSURES BY THE COMPANY

This Policy shall be disclosed in the Company's Annual Report. The policy is available on the Company's website and the link to the policy is <https://wforwoman.com/content/lovr-policies/>.

8. AMENDMENT TO THE POLICY

The Committee is authorised to amend the Policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs or Securities and Exchange Board of India with regards to any matter covered by this policy. Thereafter, this Policy shall be placed before the Board for noting and ratification. Any questions and clarifications relating to this Policy should be addressed to the Company Secretary.

Board's Report (Contd.)**Annexure 'G'
DIVIDEND DISTRIBUTION POLICY****PREAMBLE:**

The Securities Exchange Board of India (SEBI) vide its notification dated July 08, 2016 has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), by inserting Regulation 43A, making it mandatory for the top 500 listed Companies based on the market capitalization (calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy, which will be disclosed in their annual report and on their website.

This Policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of **TCNS CLOTHING CO. LIMITED** ("the Company") in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. This policy has been adopted by the Board of Directors of the Company at its meeting held on 28th May 2019, being the effective date of this Policy. The Policy may be reviewed from time to time and it shall be open to the Board to vary or rescind the Policy.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND:

The Board would declare dividend keeping in view the Company's policy of meeting the long-term growth objectives from internal cash accruals.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year. The Board also considers past dividend history while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The shareholders of the Company may expect dividend only if the Company is having surplus funds to pay dividends after providing for all the expenses, depreciation and funding required for expansion plans, and after complying with the statutory requirements under the Applicable Laws.

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board of Directors:

- The Company has inadequacy of profits or incurs losses for the Financial Year;

- The Company undertakes/proposes to undertake a significant expansion project requiring higher allocation of capital;
- The Company undertakes/proposes to undertake any acquisitions or joint arrangements requiring significant allocation of capital.
- The Company has significantly higher working capital requirement affecting free cash flow.
- The Company proposes to utilise surplus cash for buy-back of securities;
- The Company is prohibited to recommend/declare dividend by any regulatory body.
- Any other relevant factors and material events in opinion of the Board

FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

- Financial/Internal Factors:
 - i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
 - a. Previous years; and
 - b. Internal budgets;
 - ii. Cash flow position of the Company;
 - iii. Accumulated reserves;
 - iv. Earnings stability;
 - v. Future cash requirements for organic growth/expansion and/or for inorganic growth;
 - vi. Planned expansion activities including Brand acquisitions;
 - vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities;
 - viii. Deployment of funds in short term marketable investments;
 - ix. Long term investments;
 - x. Capital expenditure(s); and
 - xi. The ratio of debt to equity (at net debt and gross debt level);

Board's Report (Contd.)

- External Factors:
 - i. Business cycles;
 - ii. Economic environment;
 - iii. Cost of external financing;
 - iv. Applicable taxes including tax on dividend;
 - v. Industry outlook for the future years;
 - vi. Inflation rate; and
 - vii. Changes in the Government policies, industry specific rulings & regulatory provisions.
- ix. Any other permitted usage as per the Companies Act, 2013.

PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES:

The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.

MODIFICATION OF THE POLICY:

This policy will be reviewed and amended as and when required by the Board.

The policy is available on the Company's website and the link to the policy is: <https://wforwoman.com/content/lo-dr-policies/>.

The policy will also be disclosed in the Company's annual report.

LIMITATION AND AMENDMENT

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment/modification in the Regulations, in this regard shall automatically apply to this policy.

UTILISATION OF RETAINED EARNINGS:

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital;
- ii. Organic and/or inorganic growth including expansion/acquisit;
- iii. Investment in new business(es) and/or additional investment in existing business(es);
- iv. Declaration of dividend;
- v. Capitalization of shares;
- vi. Buyback of shares;
- vii. General corporate purposes, including contingencies;
- viii. Correcting the capital structure; and

Board's Report (Contd.)**Annexure 'H'****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS

CIN	L99999DL1997PLC090978
Registration Date	03/12/1997
Name of the Company	TCNS Clothing Co. Limited
Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government
Address of the Registered office and contact details	Unit No. 112, F/F Rectangle 1, D-4, Saket District Centre, New Delhi -110017, India. Phone: 011-42193176. E-mail: investors@tcnsclothing.com Website: www.wforwoman.com
Phone	011-42193176
E-mail	investors@tcnsclothing.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer	M/s. Kfin Technologies Private Limited (Erstwhile Karvy Fintech Private Limited) Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Phone: 040-67162222; Fax: 040-23001153 Email id: umesh.pandey@kfintech.com, einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10 % or more of the total turnover of the Company.

S. No.	Name and Description of main products/services	*NIC Code of the Product/service	% to total turnover of the Company
1.	Manufacturing of Wearing Apparel	141	100

*As per National Industrial Classification - Ministry of Statistics and Programme implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have any holding, subsidiary, joint venture and associate company as on March 31, 2020.

Board's Report (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year		
	Demat	Physical	Total	% of total Shares	Demat	Physical		Total	% of total Shares
A. Promoters									
(1) Indian									
a) Individuals	1,98,76,757	-	1,98,76,757	32.41	1,98,76,757	-	1,98,76,757	32.33	(0.08)
b) Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
c) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
d) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	1,98,76,757	-	1,98,76,757	32.41	1,98,76,757	-	1,98,76,757	32.33	(0.08)
(2) Foreign									
a) Individuals (Non Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	1,98,76,757	-	1,98,76,757	32.41	1,98,76,757	-	1,98,76,757	32.33	(0.08)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	27,92,479	-	27,92,479	4.55	25,58,962	-	25,58,962	4.16	(0.39)
b) Financial Institutions/Banks	3,198	-	3,198	0.01	2,284	-	2,284	0.00	(0.01)
c) Venture Capital Funds	-	-	-	-	-	-	-	-	-
d) Insurance Companies	-	-	-	-	-	-	-	-	-
e) FIs/FPIs	73,53,825	-	73,53,825	11.99	75,17,841	-	75,17,841	12.23	0.24
f) Alternate Investment Funds	27,05,022	-	27,05,022	4.41	30,86,886	-	30,86,886	5.02	0.61
g) Provident funds/Pension funds	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Central Government/State Government (s)	-	-	-	-	-	-	-	-	-

Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year		
	Demat	Physical	Total	% of total Shares	Demat	Physical		Total	% of total Shares
j) Others (Qualified Institutional Buyer) (ICICI Prudential Life Insurance Company Limited)	-	-	-	-	8,90,048	-	8,90,048	1.45	1.45
Sub-total (B)(1):-	1,28,54,524	-	1,28,54,524	20.96	1,40,56,021	-	1,40,56,021	22.86	1.90
2. Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	11,79,943	1	11,79,944	1.92	14,88,714	6	14,88,720	2.42	0.50
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	29,18,763	-	29,18,763	4.76	27,54,479	-	27,54,479	4.48	(0.28)
b) NBFC registered with RBI	10	-	10	-	-	-	-	-	-
c) Employee Trust	-	-	-	-	-	-	-	-	-
d) Overseas Depositories	-	-	-	-	-	-	-	-	-
e) Any Other									
- Directors	36,05,124	-	36,05,124	5.88	36,05,124	-	36,05,124	5.86	(0.02)
- Trust	1,66,489	-	1,66,489	0.27	5	-	5	-	(0.27)
- Employees	12,01,618	-	12,01,618	1.96	12,18,733	-	12,18,733	1.98	0.02
- Non -resident Indians	1,75,308	-	1,75,308	0.29	2,14,870	-	2,14,870	0.35	0.06
- Non -resident Indians Non- Reparable	58,816	-	58,816	0.10	64,690	-	64,690	0.11	0.01
- Clearing members	13,732	-	13,732	0.02	21,784	-	21,784	0.04	0.02
- Body Corporates	12,51,920	-	12,51,920	2.04	1,53,572	-	1,53,572	0.25	(1.79)
- Overseas Body Corporates (Wagner Limited)	1,80,20,119	-	1,80,20,119	29.39	1,80,20,119	-	1,80,20,119	29.31	(0.07)
Sub-total (B)(2):-	2,85,91,842	-	2,85,91,843	46.63	2,75,42,090	6	2,75,42,096	44.8	(1.82)
Total Public Shareholding (B)=(B) (1)+(B)(2)	4,14,46,366	1	4,14,46,367	67.59	4,15,98,111	6	4,15,98,117	67.67	0.08
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	6,13,23,123	1	6,13,23,124	100	6,14,74,868	6	6,14,74,874	100	-

Board's Report (Contd.)

(ii) Shareholding of Promoter:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Arvinder Singh Pasricha	9,47,0671	15.44	-	9,47,0671	15.41	-	(0.03)
2	Onkar Singh Pasricha	67,52,681	11.01	-	67,52,681	10.98	-	(0.03)
3	Parmeet Pasricha*	32,03,405	5.23	-	32,03,405	5.21	-	(0.02)
4	Saranpreet Pasricha*	4,50,000	0.73	-	4,50,000	0.73	-	-
		1,98,76,757	32.41	-	1,98,76,757	32.33	-	(0.08)

*Parmeet Pasricha and Saranpreet Pasricha are not the Promoters of the Company but part of the Promoters' Group.

** The percentage change in holding is due to increase in paid up capital of the Company due to exercise of Employee Stock Options by the Employees.

(iii) Change in Promoter Shareholding:

S. No.	Name of the Shareholder	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	Arvinder Singh Pasricha				
	At the beginning of the year	94,70,671	15.44		
	At the end of the year			94,70,671	15.41
2	Onkar Singh Pasricha				
	At the beginning of the year	67,52,681	11.01		
	At the end of the year			67,52,681	10.98
3	Saranpreet Pasricha				
	At the beginning of the year	4,50,000	0.73		
	At the end of the year			4,50,000	0.73
4	Parmeet Pasricha				
	At the beginning of the year	32,03,405	5.23		
	At the end of the year			32,03,405	5.21

Board's Report (Contd.)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2020:

S. No	Name of the Shareholder	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	Wagner Limited				
	Monday, April 1, 2019	1,80,20,119	29.39	1,80,20,119	29.31
	Tuesday, March 31, 2020	-	-	1,80,20,119	29.31
2	Fidelity Investment Trust Fidelity International Discovery Fund				
	Monday, April 1, 2019	22,90,991	3.74	22,90,991	3.73
	Friday, November 1, 2019	(5,631)	(0.01)	22,85,360	3.72
	Friday, November 8, 2019	(84,069)	(0.14)	22,01,291	3.58
	Tuesday, March 31, 2020	-	-	22,01,291	3.58
3	Axis Mutual Fund				
	Monday, April 1, 2019	16,09,774	2.63	16,09,774	2.62
	Friday, April 5, 2019	(33,467)	(0.05)	15,76,307	2.56
	Friday, April 12, 2019	(2,803)	-	15,73,504	2.56
	Friday, April 26, 2019	(1,02,594)	(0.17)	14,70,910	2.39
	Friday, May 17, 2019	(12,092)	(0.02)	14,58,818	2.37
	Friday, May 24, 2019	29,896	0.05	14,88,714	2.42
	Friday, May 31, 2019	26,081	0.04	15,14,795	2.46
	Friday, June 28, 2019	(833)	-	15,13,962	2.46
	Friday, August 9, 2019	2,000	-	15,15,962	2.47
	Friday, August 23, 2019	(1,806)	-	15,14,156	2.46
	Friday, September 13, 2019	(210)	-	15,13,946	2.46
	Friday, September 20, 2019	10,184	0.02	15,24,130	2.48
	Friday, September 27, 2019	(206)	-	15,23,924	2.48
	Friday, October 4, 2019	(17,597)	-	15,06,327	2.45
	Friday, October 11, 2019	(1,624)	-	15,04,703	2.45
	Friday, October 25, 2019	27,546	-	15,32,249	2.49
	Friday, November 1, 2019	47,890	-	15,80,139	2.57
	Friday, November 8, 2019	94,156	0.15	16,74,295	2.72
	Friday, November 15, 2019	3,932	0.01	16,78,227	2.73
Friday, November 22, 2019	(288)	-	16,77,939	2.73	
Friday, February 7, 2020	(314)	-	16,77,625	2.73	
Friday, February 14, 2020	(531)	-	16,77,094	2.73	
	Tuesday, March 31, 2020	-	-	16,77,094	2.73
4	Vijay Kumar Misra				
	Monday, April 1, 2019	16,27,523	2.65	16,27,523	2.65
	Tuesday, March 31, 2020	-	-	16,27,523	2.65

Board's Report (Contd.)

S. No	Name of the Shareholder	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
5	Auburn Limited				
	Monday, April 1, 2019	9,86,390	1.61	9,86,390	1.60
	Tuesday, March 31, 2020	-	-	9,86,390	1.60
6	Steinberg India Emerging Opportunities Fund Limited				
	Monday, April 1, 2019	7,70,000	1.26	7,70,000	1.25
	Friday, May 17, 2019	(5,075)	(0.01)	7,64,925	1.24
	Friday, September 27, 2019	15,594	0.03	7,80,519	1.27
	Friday, January 17, 2020	1,38,000	0.23	9,18,519	1.49
	Tuesday, March 31, 2020	-	-	9,18,519	1.49
7	ICICI Prudential Life Insurance Company Limited				
	Monday, April 1, 2019	9,26,953	1.51	9,26,953	1.51
	Friday, April 12, 2019	(219)	-	9,26,734	1.51
	Friday, April 19, 2019	(3,788)	(0.01)	9,22,946	1.50
	Friday, April 26, 2019	(3,740)	(0.01)	9,19,206	1.50
	Friday, May 10, 2019	(1,761)	-	9,17,445	1.49
	Friday, May 24, 2019	(6,550)	(0.01)	9,10,895	1.48
	Friday, August 9, 2019	537	-	9,11,432	1.48
	Friday, September 6, 2019	5,192	0.01	9,16,624	1.49
	Friday, November 15, 2019	(19,945)	(0.03)	8,96,679	1.46
	Friday, November 29, 2019	(1)	-	8,96,678	1.46
	Friday, December 6, 2019	(1,480)	-	8,95,198	1.46
	Friday, December 13, 2019	(4,443)	(0.01)	8,90,755	1.45
	Friday, January 3, 2020	(707)	-	8,90,048	1.45
	Friday, February 21, 2020	(940)	-	8,89,108	1.45
	Friday, February 28, 2020	940	-	8,90,048	1.45
	Tuesday, March 31, 2020	-	-	8,90,048	1.45
8	Vijay Kumar Thadani				
	Monday, April 1, 2019	7,50,000	1.22	7,50,000	1.22
	Tuesday, March 31, 2020	-	-	7,50,000	1.22
9	Fidelity Investment Trust Fidelity Pacific Basin Fund				
	Monday, April 1, 2019	3,56,168	0.58	3,56,168	0.58
	Friday, April 5, 2019	9,641	0.02	3,65,809	0.60
	Friday, April 12, 2019	74,700	0.12	4,40,509	0.72
	Friday, April 26, 2019	36,281	0.06	4,76,790	0.78
	Friday, May 10, 2019	1,800	-	4,78,590	0.78

Board's Report (Contd.)

S. No	Name of the Shareholder	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
	Friday, October 18, 2019	5,146	0.01	4,83,736	0.79
	Friday, October 25, 2019	23,607	0.04	5,07,343	0.83
	Friday, November 1, 2019	87,947	0.14	5,95,290	0.97
	Friday, March 6, 2020	(164)	-	5,95,126	0.97
	Friday, March 13, 2020	(455)	-	5,94,671	0.97
	Tuesday, March 31, 2020	-	-	5,94,671	0.97
10	Saif India VI FII Holdings Limited				
	Monday, April 1, 2019	-	-	-	-
	Friday, March 27, 2020	5,30,318	0.86	5,30,318	0.86
	Tuesday, March 31, 2020	-	-	5,30,318	0.86

Note: The change in percentage is considered up to two decimals and the same is subject to rounding off to the nearest number.

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Name of the Shareholder	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	Onkar Singh Pasricha				
	At the beginning of the year	67,52,681	11.01		
	At the end of the year			67,52,681	10.98
2	Anant Kumar Daga				
	At the beginning of the year	3,60,5124	5.88		
	At the end of the year			3,60,5124	5.86
3	Venkatesh Tarakkad				
	At the beginning of the year	-	-		
	At the end of the year			-	-
4	Piyush Asija				
	At the beginning of the year	40			
	Allotment made on August 08, 2019	6,250	0.1	-	-
	Disposed on September 26, 2019			6,090	-
	At the end of the year			200	-

Board's Report (Contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2.17	-	-	2.17
ii) Interest due but not paid	Nil	-	-	Nil
iii) Interest accrued but not due	Nil	-	-	Nil
Total (i+ii+iii)	2.17	-	-	2.17
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	2.17	-	-	2.17
Net Change	2.17	-	-	2.17
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Mr. Anant Kumar Daga	Mr. Onkar Singh Pasricha	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 2,43,10,824/- per annum	₹ 27,69,792/- per annum	₹ 2,70,80,616/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	₹ 28,800/- per annum	₹ 28,800/- per annum	₹ 57,600/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify			
	Bonus	-	-	-
	Contribution to PF	₹ 11,27,316/-	₹ 2,01,600/-	₹ 13,28,916/-
Total		₹ 2,54,66,940/-	₹ 30,00,192/-	₹ 2,84,67,132/-
	Ceiling as per the Act	Within the Ceiling limit	Within the Ceiling limit	Within the Ceiling limit

Board's Report (Contd.)

B. Remuneration to other Directors:

(₹ in lakhs)

Particulars	Mr. Bhaskar Pramanik	Mr. Naresh Patwari	Ms. Neeru Abrol	Ms. Sangeeta Talwar
Commission	Nil	Nil	Nil	Nil
Sitting Fees	7.50	Nil	14.00	9.25

C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole Time

S. No	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Piyush Asija (Company Secretary)	Mr. Venkatesh Tarakkad (Chief Financial Officer)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 34,09,090/-	₹ 1,16,48,772/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	₹ 29,65,000/-	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option		
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit Others specify...	Nil	Nil
5	Others, please specify (Retirement benefits)	₹ 1,47,480/-	₹ 5,00,532/-
	Total	₹ 65,21,570/-	₹ 1,21,49,304/-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ended March 31, 2020.

For and on behalf of Board of Directors

Sd/-

ANANT KUMAR DAGA

Managing Director

DIN: 07604184

Place: New Delhi

Date: June 20, 2020

Sd/-

ONKAR SINGH PASRICHA

Chairman & Executive Director

DIN: 00032290

Board's Report (Contd.)**ANNEXURE-I****BUSINESS RESPONSIBILITY REPORT****ABOUT THIS REPORT**

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the "Business Responsibility Report" (BRR) of the Company for the financial year 2019-20 forming part of this Annual Report is as follows:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number of the Company	L99999DL1997PLC090978
2.	Name of the Company	TCNS CLOTHING CO. LIMITED
3.	Registered address	Unit No. 112, F/F Rectangle 1, D-4, Saket District Centre, New Delhi-110017.
4.	Website	www.wforwoman.com
5.	E-mail id	investors@tcnsclothing.com
6.	Financial Year reported	2019-20
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	141
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Women's Ethnic Top Wear Drapes and Bottom wear
9.	Total number of locations where business activity is undertaken by the Company	A) Number of National Locations-578 Exclusive Business Outlets B) Number of International Locations - 17
10.	Markets served by the Company	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹):	12,29,49,748
2.	Total Turnover (Revenue from operations) (₹ million):	11,486.67
3.	Total profit after taxes (₹ million):	694.10
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	3.70%
5.	List of activities in which expenditure in 4 above has been incurred:	1. Education 2. Sustainability 3. Women Empowerment 4. Agriculture 5. Rural Development Programme 6. Health & Nutrition 7. Slum Area Development

Board's Report (Contd.)**SECTION C: OTHER DETAILS**

1.	Does the Company have any Subsidiary Company/Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION**1. Details of Director/Directors responsible for BR**

(a) Details of the Director/Director responsible for implementation of the BR policy/policies:

- DIN Number : **07604184**
- Name : **Anant Kumar Daga**
- Designation : **Managing Director**

2. Details of the BR head

S. No	Particulars	Details
1.	DIN Number (if applicable)	07604184
2.	Name	Anant Kumar Daga
3.	Designation	Managing Director
4.	Telephone No.	011-42193193
5.	E-mail id	anant.daga@tcnsclothing.com

Principle-wise (as per NVGs) BR Policy/ Policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

These are as follows:

- Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- Principle 3:** Businesses should promote the wellbeing of all employees.
- Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
- Principle 5:** Businesses should respect and promote human rights.
- Principle 6:** Business should respect, protect, and make efforts to restore the environment.
- Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- Principle 8:** Businesses should support inclusive growth and equitable development.
- Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Board's Report (Contd.)

Details of compliance (Reply in Y/N)

S No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for principles?	Y	N	Y	N	N	N	N	Y	N
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	N	Y	N	N	N	N	Y	N
3.	Does the policy conform to any national/international standards?	NA								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	NA								
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	N	Y	N	N	N	N	Y	N
6.	Indicate the link for the policy to be viewed online?	Policies mandated to be displayed on website of the Company as per the Companies Act and SEBI (LODR) Regulations are displayed at the https://wforwoman.com/content/lodr-policies/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	N	Y	N	N	N	N	Y	N
8.	Does the Company have in-house structure to implement the policy/policies?	Y	N	Y	N	N	N	N	Y	N
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	N	Y	N	N	N	N	Y	N
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	N	Y	N	N	N	N	Y	N

(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): **NA**

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	It is planned to be done within next 6 months									
4.	It is planned to be done within the next 1 year									
5.	Any other reason (please specify)#		√		√	√	√	√		√

Reasons for point 5

The Company considers social, environmental and economic factors in business, but there is no specific policy formulated for these principles. The Company has worked on empowering women at grass root levels on social front which empowers rural women. This initiative provides secure jobs to women from rural parts India. The Company also employs differently abled persons at our stores. Sustainability in fashion also being important, the Company is experimenting with different kind of sustainable fabrics.

Board's Report (Contd.)

Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:
Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
This Business Responsibility report will be displayed on the website of the Company i.e. www.wforwoman.com.

SECTION E: PRINCIPLE - WISE PERFORMANCE

Principle 1 Ethics, Transparency and Accountability

- 1. Does the policy relating to ethics, bribery, and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
The Company has formulated a Code of Conduct, to conduct business in an ethical manner as well as to create a work environment that is conducive to all stakeholders. The employees adhere to the Code of conduct. Further, there is a separate code of conduct for the senior employees and Directors of the Company for which affirmation is sought on an annual basis.
The Company has adopted a Whistle Blower Policy through which its directors and employees can report their concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct. It also provides adequate safeguards against victimization of persons who use such mechanism.
The Company has multiple business partners, vendors, suppliers, and business associates. While these may not directly participate in the Company's BR initiatives, they may have their own policies and programs with regard to business responsibility.
- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
The Company has an Investor Grievance cum Stakeholder Relationship Committee (SRC)

SECTION D: BUSINESS RESPONSIBILITY

which monitors and reviews the shareholders complaints/grievances and their resolution. During the year ended March 31, 2020, one (1) complaint was received which was satisfactorily resolved. Further, Customer complaints are addressed in the normal course of business by the Operations and Marketing Department of the Company.

Principle 2 Product Responsibility

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
The main business of the Company is manufacturing and retailing of women's ethnic wear. We encourage our partners to adopt/ensure the latest technology to manage environment concerns. We have launched collections using Livaeco and Harit Khadi which focuses on sustainability and providing employment to rural women respectively.
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc. per unit of product (optional) :
(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
Considering the business model of the Company the said questions are not directly applicable to the Company.
- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)?
The Company follows generally understood principles for sustainable sourcing of products sold by the Company. However, the Company doesn't have documented procedures in place.
- 4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
The Company has worked on empowering women at grass root levels on the social front and launched Harit Khadi. The Company procures goods from small scale industries and small producers including from communities surrounding its place of work.

Board's Report (Contd.)

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Company provides, wherever needed, training, easy financing, and product development support services to its vendors who are small scale industries/producers.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Company recycles its packing cartons on an ongoing basis which forms a large chunk of its waste. The Company has engaged Deshwal Waste Management, an authorised entity by Haryana Pollution Control Board for collection, transportation, dismantling, and disposal of e-waste in compliance with E-Waste Management & Handling Rules, 2016.

Principle 3 Wellbeing of Employees

1. Please indicate the Total number of employees: 4,241
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 294
3. Please indicate the Number of permanent women employees: 1,545
4. Please indicate the Number of permanent employees with disabilities: 33
5. Do you have an employee association that is recognised by management: No
6. What percentage of your permanent employees is members of this recognised employee association?: Nil
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year: One case of alleged discrimination is pending resolution. The pending complaint has been addressed and closed subsequent to end of the financial year.
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees: 93%
- (b) Permanent Women Employees: 94%
- (c) Casual/Temporary/Contractual Employees: 9%
- (d) Employees with Disabilities: 21%

The Company has made necessary arrangements for employees to be able to work from home effectively including providing suitable hardware and VPN Connections. Additionally, the Human Resource team has taken many initiatives to keep all employees including front end staff engaged during the pandemic lockdown.

Principle 4 Responsiveness to Stakeholders

1. Has the Company mapped its internal and external stakeholders?
The Company has mapped its internal and external stakeholders, viz. shareholders, investors, central and state govt./regulatory authorities, customers, employees, vendors, suppliers, consultants, banks etc.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?
Yes, Company provides support on a case to case basis. E.g. If a small vendor seeks financial support, the Company evaluates the same.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and Marginalised stakeholders. If so, provide details thereof, in about 50 words or so: No

Principle 5 Human Rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs Others?
The Company regularly engages with NGOs and other social organization's to participate in initiatives as a part of its CSR activities.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
The Company has not received any complaints relating to human rights during the year.

Board's Report (Contd.)**Principle 6 Environmental Responsibility**

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. The Company's energy management policy.

There is no documented policy, but the Company encourages all partners to adopt technology and other initiatives to ensure good energy management.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.?

During the year, tree plantation drives were carried out by the Company and through active participation of 250 employees, planted 8,500 saplings.

3. Does the Company identify and assess potential environmental risks?
Not applicable directly.
4. Does the Company have any project related to the Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?
Not applicable.
5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.?

The initiatives taken by the Company towards energy conservation during the year under review are given in the Board Report. **(Annexure 'B')**

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
Not applicable, since the Company undertakes manufacturing through job workers. However, company encourages its partners to follow good emission and waste management processes.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.
Nil

Principle 7 Public Policy Advocacy

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company has membership with Retailers Association of India (RAI) & Confederation of Indian Industries (CII).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has been participating in some forums on issues and policy matters pertaining to its industry.

Principle 8 Inclusive Growth and Equitable Development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

No

2. The Company's Corporate Social Responsibility (CSR) initiative attempts to integrate social, environmental and economic concerns in its programs to improve the welfare of society and stakeholders. Are the programmes/projects undertaken through in house team/own foundation/external NGO/government structures/any other organization?

The Company's CSR initiatives are mainly implemented through partnership with Non- Governmental Organizations (NGOs). Other training & development initiatives are implemented through internal team as well as with other external subject matter experts.

3. Have you done any impact assessment of your initiative?

No

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

An amount of ₹ 25.87 million was spent towards CSR initiatives during the financial year 2019-20. The details thereof are given in the Board Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, the CSR initiative undertaken by the Company focuses on community participation, empowerment and community development.

Board's Report (Contd.)**Principle 9 Engagement with Customers**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

As at the end of financial year, there is no ongoing consumer case.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

The requisite information as mandated by applicable local laws (Specifically as per legal metrology laws) is mentioned on the product label of the Company.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There are no cases pending in relation to unfair trade practices, irresponsible advertising and/or anticompetitive behavior.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

Yes, the Company regularly conducts the consumer surveys.

Board's Report (Contd.)**Annexure 'J'****CORPORATE GOVERNANCE REPORT**

This Report on Corporate Governance forms part of the Annual Report for the financial the year 2019-20. The Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The Company gives its best to achieve business goals, while fulfilling the role of a responsible corporate representative, committed to best practices.

To comply with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance of TCNS Clothing Co. Limited ("the Company"/ "TCNS") is as follows:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

TCNS is committed to maintain the highest standards of transparency, accountability and equality in its working so that the underlying goal of increasing overall shareholder value can be attained in a sustained way. We will continuously endeavour to implement best practices to enhance stakeholder's value. Your Company is committed to good Corporate Governance, based on an effective Independent Board, separation of supervisory role from the executive management and constitution of Committees to oversee critical areas thus upholding the standards at all levels ranging from action plan to performance measurement and customer satisfaction.

BOARD OF DIRECTORS

The Company is managed and controlled through a professional Board of Directors ("Board") comprising

of an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board of the Company is in conformity with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. The present composition of the Board comprises of six (6) Directors out of which three (3) are Independent Directors, which constitutes 50 per cent of the total strength of the Board. A brief profile of all the Directors is available on the website of the Company at <https://wforwoman.com/content/corporate-governanceboard-and-its-committees/>.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2019-20, the Board met four (4) times i.e. on May 28, 2019, August 08, 2019, November 08, 2019 and February 06, 2020. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 & SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The information as mentioned under Part A of Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 has been placed before the Board for its consideration during the year. Board meetings are also convened to address the specific additional requirements of the Company.

None of the Directors on the Board are serving as an Independent Directors in more than seven listed companies. None of the Directors on the Board is a Member in more than ten committees and Chairperson of more than five committees, across all the companies in which they are Directors.

The composition of Board of Directors, their attendance at the Board Meetings and at last Annual General Meeting of the Company, and also the number of Directorship/Chairmanships held by them in other Public Limited Companies, during the Financial Year 2019-20 are given as follows:

Board's Report (Contd.)

Name of Director	Designation & Category	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance at Last Annual General Meeting	Directorship in other Companies	Committee Membership	Committee Chairmanships	Shareholding in the Company	Name of the other listed companies where Directorship (Category)
Mr. Onkar Singh Pasricha	Chairman-Executive Director (Promoter)	4	4	Yes	1	Nil	Nil	67,52,681	Nil
Mr. Anant Kumar Daga	Managing Director	4	4	Yes	Nil	1	Nil	36,05,124	Nil
Mr. Naresh Patwari	Non-Executive-Non-Independent Director (Equity Investor)	4	4	No	1	1	Nil	Nil	Shilpa Medicare Limited (Non-Executive Non-Independent Director)
Mr. Bhaskar Pramanik	Non-Executive Independent Director	4	3	Yes	1	2	Nil	Nil	State Bank of India (Non-Executive Independent Director)
Ms. Neeru Abrol	Non-Executive Independent Director	4	4	Yes	4	7	2	Nil	Apollo Pipes Limited (Non-Executive Independent Director) APL Apollo Tubes Limited (Non-Executive Independent Director) Apollo Tricoat Tubes Limited (Non-Executive, Independent Director)
Ms. Sangeeta Talwar	Non-Executive Independent Director	4	3	Yes	7	8	2	Nil	Castrol India Limited (Non-Executive Independent Director) Glaxosmithkline Consumer Healthcare Limited (Non-Executive Independent Director) HCL Infosystems Limited (Non-Executive Independent Director) Mahindra Holidays and Resorts India Limited (Non-Executive-Independent Director)

Note: 1. Directorships excludes private companies, foreign companies and Sec 8 companies.
 2. Board Committee membership for this purpose includes Audit Committee and Stakeholders' Relationship Committee of public limited and listed Companies.
 3. Membership count of Committees includes chairpersonship count.

Board's Report (Contd.)

Inter se Relationship

None of the Directors of the Company are related inter se.

Non- Executive Directors do not hold any shares and convertible instruments.

Familiarization Program for Independent Directors

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The terms and conditions of the appointment are also placed on the website of the Company. Each newly appointed Director is taken through a familiarization program in terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including interactions with the Managing Director, CFO & the Senior Management of the Company covering all important aspects of the Company. The Familiarization programmes undertaken are disclosed on the website of the Company at <https://wforwoman.com/content/corporate-governance-familiarisation/>.

Chart on Competence

Name of Director	Competence and Qualifications
Mr. Onkar Singh Pasricha	He holds a bachelor's degree in technology in electrical engineering from Indian Institute of Technology, Delhi. He has been on the Board since December 3, 1997 and was last re-appointed on August 26, 2019. He has more than 41 years of experience in the apparel industry.
Mr. Anant Kumar Daga	He holds a bachelor's degree in commerce from the University of Calcutta and a Post-Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He joined the Company as the Chief Executive Officer with effect from March 16, 2010 and has been on the Board since September 7, 2016. Prior to joining the Company. He has worked with Reebok, India as Director (sales) and with ICICI Bank.

Name of Director	Competence and Qualifications
Mr. Naresh Patwari	He holds bachelor's degree in Technology in Mechanical Engineering from Indian Institute of Technology, Kharagpur and a master's degree in Business Administration from the Tuck School of Business at Dartmouth College, United States. He has been on the Board since August 18, 2016. Naresh Patwari is currently employed with TA Associates Advisory Private limited as a Director. He was previously employed with Schlumberger, McKinsey & Company and ICICI Venture.
Mr. Bhaskar Pramanik	He holds a bachelor's degree in Technology from Indian Institute of Technology, Kanpur. He has served as the Chairman of Sun Microsystems India, Managing Director of Oracle India and as the Chairman of Microsoft India.
Ms. Neeru Abrol	She is an Associate member of the Institute of Chartered Accountants of India. She has worked with National Fertilizers Limited (NFL) as its Chairperson and Managing Director. Prior to NFL, she has worked with the Steel Authority of India Limited, holding various management positions.
Ms. Sangeeta Talwar	She holds a Post-Graduate Diploma in Management from Indian Institute of Management, Kolkata. She is currently a partner at Flyvision Consulting LLP. She has worked with Nestle India as an Executive Vice President (Marketing), Mattel Inc., India as its Managing Director, Tata Tea as an Executive Director (Marketing) and NDDDB Dairy Services as its Managing Director.

Board's Report (Contd.)

The Board has identified that the core competencies, required relevant industry experience and prior experience of being an Independent Director are present. The Board is of the opinion that to discharge the functions effectively all the requisite competency and skills are available with the members of the Board. All the Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. The maximum tenure of the Independent Directors is in compliance with the Act. Further, the Independent Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, or its subsidiaries, which may affect the independence or judgment of the Directors. The Company has taken Directors and Officers insurance ('D and O insurance') for all their Directors including the Independent Directors. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. Further, none of the Independent Directors resigned during the financial year.

Meeting of Independent Directors

For the year under review, a separate meeting of the Independent Directors was held without the attendance of Non Independent Directors and members of the management.

Code of Conduct

The Company has a well-defined policy, which lays down procedures to be followed by the employees for ethical professional conduct. The Code of Conduct has been laid down for all the Board Members and Senior Management of the Company. The Board members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year 2019-20. This Code has been displayed on the Company's website at <https://wforwoman.com/content/lodr-policies/>.

Board Evaluation

The Board has adopted a process for evaluating its performance and effectiveness as well as that of its Committees and carried out an annual evaluation of its own performance, Board Committees and the Directors individually pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed by the SEBI (Listing Obligations and Disclosures Requirements)

Regulations, 2015. The Board and the Nomination & Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria and framework adopted by the Board. The evaluation criteria included various aspects such as, functionality of Board, compositions, process & procedures including adequate & timely information, attendance, delegation of responsibility, decision making, roles & responsibility including monitoring, benchmarking, feedback relationship with the stakeholder's and as provided by the Guidance Note on Board Evaluation issued by SEBI on January 5, 2017. In a separate meeting of the Independent Directors, performance of the Non-Independent Directors, the Board as a whole and the Chairman were also evaluated on the basis of pre-set criterion.

Obligations with respect to employees including Senior Management, Key Managerial Persons and Directors

All members of the Board of Directors, Senior Management Personnel and Key Managerial Personnel have affirmed compliance with the code of conduct of the Board of Directors and Senior Management Personnel for the FY 2019-20. A certificate to this effect given by the Managing Director of the Company is given at the end of this report.

Insider Trading Policy of the Company and Model Code of Conduct

To comply with the provisions of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prohibition of Insider Trading and the same is uploaded on the website of the Company at <https://wforwoman.com/content/insider-trading-policy/>.

Board Committees

With a view to have more focused attention on business and for better governance and accountability, the Board has the following mandatory committees:

- a. Audit Committee
- b. Stakeholders' Relationship Committee
- c. Nomination and Remuneration Committee
- d. Corporate Social Responsibility Committee
- e. Risk Management Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective

Board's Report (Contd.)

Chairman of the Committee. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes and proceedings of the meetings of all Committees are placed before the Board for review. The Minutes of the Committee Meetings are sent to all members of the Committee individually and tabled at the Board Meetings.

DETAILS OF COMMITTEES

AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are as set out in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee comprises of four Directors viz. Ms. Neeru Abrol, Ms. Sangeeta Talwar, Mr. Bhaskar Pramanik and Mr. Naresh Patwari. Ms. Neeru Abrol is the Chairperson of the Committee. All members of the Audit Committee are financially literate and have accounting or related financial management expertise. Statutory Auditors, Internal Auditors and Chief Financial Officer are permanent invitees to the Committee. The Company Secretary of the Company is the Secretary to the Committee.

The brief terms of reference of the Audit Committee are as follows:

- Reviewing internal control weaknesses.
- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the listed entity; approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors; reviewing, with the management, the annual financial statements and Auditor's report thereon before submission to the board for approval.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.

- Approval or any subsequent modification of transactions of the listed entity with related parties.
- Scrutiny of inter-corporate loans and investments; evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors of any significant findings and follow up thereon.
- 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 with particular reference to:
 - Matters required to be included in 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 Companies Act, 2013;
 - Changes, if any, in accounting policies, practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions and
 - Modified opinion(s) in the draft audit report.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.

Board's Report (Contd.)

- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review management discussion and analysis of financial condition and results of operations.
- Review statement of significant related party transactions submitted by management.
- Review management letters/letters of internal control weaknesses issued by the statutory auditors.
- Review internal audit reports relating to internal control weaknesses.

During the Financial Year 2019-20, the Audit Committee met four (4) times i.e. on May 28, 2019, August 08, 2019, November 08, 2019 and February 06, 2020.

The attendance of the members of the Committee for the Financial Year 2019-20 is as under:

Committee Members	Category	Number of Audit Committee Meetings Attended / Held
Ms. Neeru Abrol	Independent Director	4/4
Ms. Sangeeta Talwar	Independent Director	3/4
Mr. Bhaskar Pramanik	Independent Director	3/4
Mr. Naresh Patwari	Non-Executive-Non-Independent Director	4/4

NOMINATION AND REMUNERATION COMMITTEE

The constitution and terms of reference of Nomination & Remuneration Committee of the Board of Directors is in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013. The said Committee is consisting of four Directors viz., Mr. Bhaskar Pramanik, Ms. Neeru Abrol, Mr. Onkar Singh Pasricha and Mr. Naresh Patwari. Mr. Bhaskar Pramanik is the Chairperson of said Committee.

The brief terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a policy relating to, the remuneration of the Directors, to Key Managerial Personnel and other Senior Managerial Personnel.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Review the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Key Managerial Personnel and Senior Management.

During the Financial Year 2019-20, the Committee met four times i.e. on May 28, 2019, August 08, 2019, November 08, 2019, and February 06, 2020.

The attendance of the members of the Committee for the Financial Year 2019-20 is as under:

Committee Members	Category	Number of Meetings Attended/ Held
Mr. Bhaskar Pramanik	Independent Director	3/4
Ms. Neeru Abrol	Independent Director	4/4
Mr. Onkar Singh Pasricha	Executive Director	4/4
Mr. Naresh Patwari	Non- Executive - Non Independent Director	4/4

The criteria for performance evaluation of Independent Directors covers preparation, participation, conduct and effectiveness of their functioning. The same is available on the Website of the Company at <https://wforwoman.com/content/tnc-for-independent-directors/>.

The Company's approved Nomination & Remuneration Policy available on the Website of the Company at <https://wforwoman.com/content/lo-dr-policies/>.

Board's Report (Contd.)**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has constituted a Stakeholders'/ Investors' Grievance Committee. Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The brief terms of reference of Stakeholder Relationship Committee are:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
- Oversee and review all matters connected with the transfer of the Company's securities.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification/ amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The Stakeholders Relationship Committee comprises of three Directors; Ms. Sangeeta Talwar, Mr. Anant Kumar Daga and Ms. Neeru Abrol.

Ms. Sangeeta Talwar (Non - Executive Independent Director) is the elected Chairperson of the Committee.

Mr. Piyush Asija, Company Secretary and Compliance Officer, acts as the Secretary of the Committee.

The Committee met four times during the Financial Year 2019-20 i.e. on May 28, 2019, August 08, 2019, November 08, 2019 and February 05, 2020.

The attendance of the members of the Committee for the Financial Year 2019-20 is as under:

Committee Members	Category	No. of Stakeholder Committee Meetings Attended/ Held
Ms. Sangeeta Talwar	Independent Director	4/4
Mr. Anant Kumar Daga	Managing Director	4/4
Ms. Neeru Abrol	Independent Director	4/4

Investor Grievances/ Complaints

The details of the Investor Grievances Complaints received and resolved during the Financial Year ended March 31, 2020 are as follows:

Opening Balance	0
Received	1
Resolved	1
Closing	0

All the complaints received during the year were resolved.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of four Directors viz. Ms. Sangeeta Talwar, Ms. Neeru Abrol, Mr. Bhaskar Pramanik and Mr. Onkar Singh Pasricha. Mr. Piyush Asija, Company Secretary and Compliance Officer act as the Secretary to the Committee. During the year under review, the Committee met on May 28, 2019. and February 06, 2020. The CSR Policy of the Company is available on the website of the Company at <https://wforwoman.com/content/lo-dr-policies/>.

RISK MANAGEMENT COMMITTEE

Pursuant to section 134(3)(n) of the Companies Act, 2013 the Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your

Board's Report (Contd.)

Board and also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy. Further pursuant to provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has constituted Risk Management Committee. The Committee meets at least one time during the year to identify, evaluate, review the risks and set up the risk mitigation plans. The Risk Management Policy has been displayed on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Remuneration paid to Directors in the financial year 2019-20**Remuneration of Directors****a) Executive Directors:**

The Company paid to the following remuneration to the Executive Director(s) during the Financial Year 2019-20 as follows:-

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Mr. Anant Kumar Daga	Mr. Onkar Singh Pasricha	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 2,43,10,824/- per annum	₹ 27,69,792/- per annum	₹ 2,70,80,616/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	₹ 28,800/- per annum	₹ 28,800/- per annum	₹ 57,600/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify			
	(i) Bonus			
	(ii) Contribution to PF	₹ 11,27,316/-	₹ 2,01,600/-	₹ 13,28,916/-
Total		₹ 2,54,66,940/-	₹ 30,00,192/-	₹ 2,84,67,132/-
	Ceiling as per the Act	Within the Ceiling limit	Within the Ceiling limit	Within the Ceiling limit

b) Non-Executive Directors:

Criteria of making payments to Non-Executive Directors including all pecuniary relationship or transactions of Non-Executive Directors.

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the sitting fees paid to them.

The details of remuneration (Commission and sitting fees) paid to Non-Executive Directors for the FY 2019-20- is provided below:

₹ (in million)

Particulars	Mr. Bhaskar Pramanik	Mr. Naresh Patwari	Ms. Neeru Abrol	Ms. Sangeeta Talwar
Commission	Nil	Nil	Nil	Nil
Sitting Fees	0.75	Nil	1.40	0.93

Criteria of making payments to Non-Executive Directors including all pecuniary relationship or transactions of Non-Executive Directors.

Board's Report (Contd.)

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the sitting fees paid to them.

The Board in its meeting held on December 14, 2017, approved sitting fees to Directors and subsequently, the shareholders of the Company at the Extraordinary General Meeting held on January 5, 2018, had approved the terms and conditions of appointment.

The Commission, if any paid to Non-Executive Directors including Independent Directors has been approved by the Nomination and Remuneration Committee of the Company in a meeting held on May 28, 2019, for the period of 5 (five) years commencing from the Financial year 2019-20 up to an amount not exceeding 1% per annum of the net profits of the Company (computed in the manner referred to in Section

198 of the Companies Act, 2013) of the relevant financial year and has been approved by the Shareholders within the prescribed limits as stipulated under Companies Act, 2013 in the 22nd Annual General Meeting of the Company held on August 26, 2019.

No commission was paid for the Financial Year 2019-20.

None of the Non-executive Directors holds any shares of the Company and are not entitled to any Employee Stock Options.

The Details of compensation, service contracts, notice period, severance fee, etc. are mentioned in the terms and conditions of appointment displayed on the website of the Company at <https://wforwoman.com/content/tnc-for-independent-directors/>.

None of our Directors are related to each other.

GENERAL BODY MEETINGS

The detail of the last three Annual General Meetings and passing of Special Resolutions, are given as follows:-

Nature of Meeting	Day, Date and Time of the Meeting	Venue	Special Resolutions Passed
22 nd Annual General Meeting	Monday, August 26, 2019 at 9:00 A.M.	Delhi Karnataka Sangha, Rao Tularam Marg, Sector 12, Rama Krishna Puram, New Delhi, Delhi 110022.	<ol style="list-style-type: none"> Approval for Remuneration of Mr. Anant Kumar Daga (DIN: 07604184), Managing Director of the Company. Ratification of Pre- IPO TCNS ESOP Scheme 2014-17. Ratification of Pre-IPO TCNS ESOP Scheme 2018-23. Ratification of resolutions passed by the Company for grant of options more than 1% of the issued capital to specified employees under TCNS ESOP Scheme 2018-23. Amendment in TCNS ESOP Scheme 2018-23.
21 st Annual General Meeting	Thursday, July 5, 2018 at 5:00 P.M.	119 And 127, W House, Neelgagan Towers-II New Mangla Puri, Chattarpur, Mehrauli, New Delhi-110030.	Nil
20 th Annual General Meeting	Wednesday, September 27, 2017 at 3:00 P.M.	Unit No 112, F/F, Rectangle 1, D-4, Saket District Centre, New Delhi -110017.	Nil

Board's Report (Contd.)**Extraordinary General Meeting**

Apart from the 22nd Annual General Meeting, no other General Meeting was held during the Financial Year 2019-20.

Postal Ballot

The Company has not passed any resolution through postal ballot during the Financial Year 2019-20.

None of the special businesses proposed to be transacted in the ensuing Annual General Meeting is required through postal ballot.

Related Party Disclosures

There is no subsidiary or parent/holding company of the Company.

There was no materially significant related party transaction that may have any potential conflict with interest of the Company at large.

The company has a policy on material related party transactions and the same is available on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Risk Management Policy

The Company has a Risk Management policy and an internal control framework, which is used to manage risks. The policy is displayed on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Code of Conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management of the Company. An annual affirmation of compliance with the Code of Conduct is taken from all the Directors and Senior Management of the Company to whom the code applies. The Code of Conduct has also been posted at the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

The affirmation by the Managing Director that the Code of Conduct has been complied with by the Board of Directors and Senior Management is given as a part of this report.

Prevention of Insider Trading

The Company has formulated and adopted a Policy and a Code of Fair Disclosures in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Policy lays down the guidelines, procedures to be followed, and disclosures

to be made while dealing with the shares of the Company along with consequences for violation. The policy is formulated to regulate, monitor and ensure reporting of deals by designated persons and maintain the highest level of ethical standards while dealing in the Company's securities. The Company's Code of Fair Disclosure is also placed on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

Vigil mechanism and Whistle blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The said policy is updated by the Company during the financial year. The updated policy on "Vigil mechanism and Whistle Blower" may be accessed on the Company's website at <https://wforwoman.com/content/lodr-policies/>.

MEANS OF COMMUNICATION

- The quarterly/half yearly/annual results are published in the leading English and Hindi Newspapers (normally Business Standard) and also displayed on the website of the Company at <https://wforwoman.com> where official news releases, financial results, financial highlights, quarterly shareholding pattern and presentations made to institutional investors and analysts are also displayed.
- The Company had Quarterly/Annual Earnings Calls for the investors of the Company after the declaration of Quarterly/Annual results. Transcripts/presentations of the quarterly/annual earnings calls/investors meet are displayed on the Company's aforementioned website, in the 'Investors' section.
- The Management Discussion and Analysis and Financial Highlights are part of the Annual Report.
- All material information about the Company is promptly uploaded on the website of the Stock Exchanges and also sent through e-mail to the stock exchanges where the shares of the Company are listed.

Board's Report (Contd.)**GENERAL SHAREHOLDERS INFORMATION**

- 23rd Annual General Meeting through Video Conferencing (VC)/Other Audio Visual Mode (OAVM)

Date: September 24, 2020.

Time: 2.00 P.M.

Venue: AGM through Video Conferencing /Other Audio Visual Mode. The Corporate Office of the Company will be the deemed venue of the Annual General Meeting.

- Financial Year: April 1, 2019 to March 31, 2020**
Financial Calendar 2020-21 (Tentative)

Financial reporting for the first quarter ending June 30, 2020	2 nd week of August 2020
Financial reporting for the second quarter ending September 30, 2020	2 nd week of November 2020
Financial reporting for the third quarter ending December 31, 2020	2 nd week of February 2021
Financial reporting for the year ending March 31, 2021	Last week of May 2021
Annual General Meeting for the year ended March 31, 2021	In the month of August/September 2021

Date of Book Closure: September 18, 2020 to September 24, 2020

Cut off date: September 17, 2020

- Dividend payment date:** No Dividend is paid for the FY 2019-20

- Listing of Shares**

The Equity shares of the Company are currently listed at the following Stock exchanges w.e.f. July 30, 2018:

Bombay Stock Exchange Limited
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001

Scrip code: 541700

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex
Bandra (E), Mumbai-400 051
Scrip Code: TCNSBRANDS
ISIN No. INE778U01029

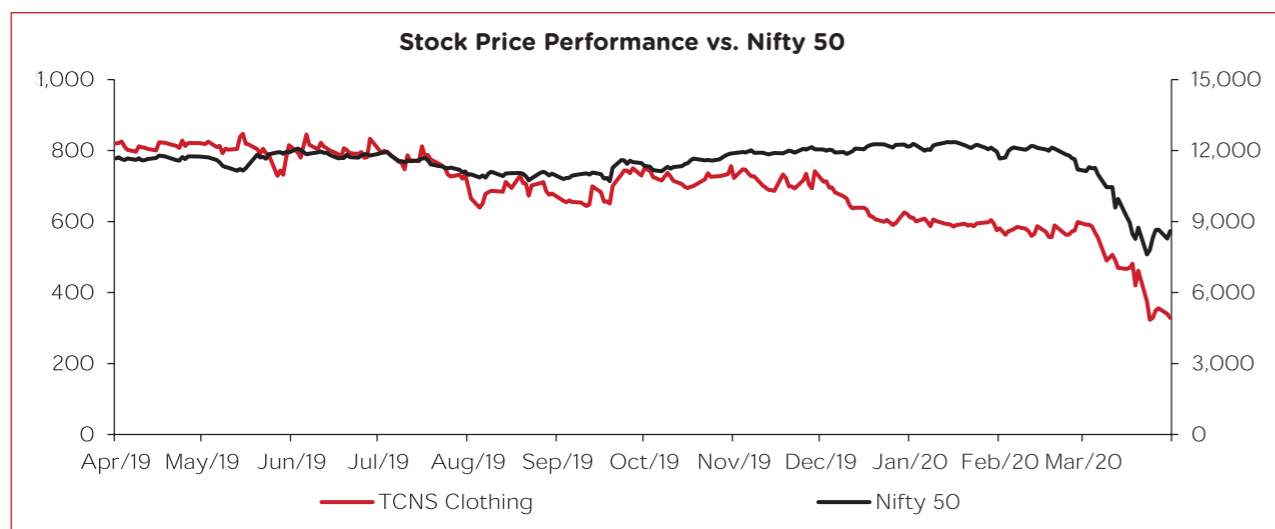
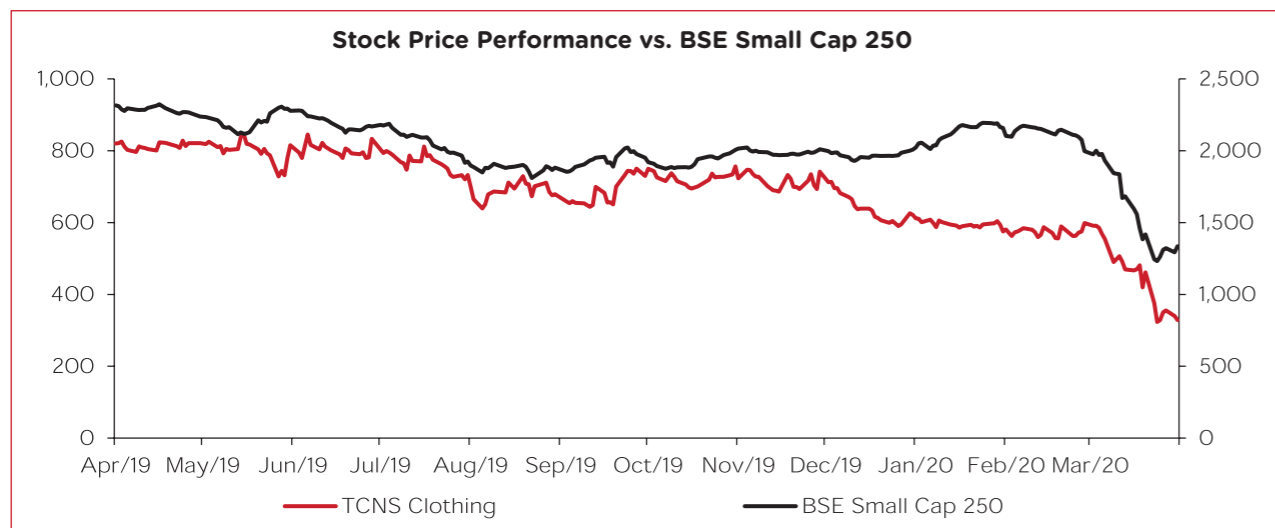
It is hereby confirmed that the Annual Listing fees for the period April 1, 2020 to March 31, 2021 has been paid to both the Stock Exchanges.

- Stock Market Data:**

Stock Exchange	BSE Limited		National Stock Exchange of India Limited	
	Highest (₹)	Lowest (₹)	Highest (₹)	Lowest (₹)
Month of the Year 2019-20				
April 2019	864	790.5	856.80	787.65
May 2019	858.2	715.4	857.95	718
June 2019	852	775.05	860	770
July 2019	822.35	703.1	833.05	705
August 2019	757.55	607	766.10	620.05
September 2019	759.9	636.8	756.95	631.35
October 2019	780	688.3	781.05	687
November 2019	752.75	680	752.80	678.30
December 2019	722.75	581.05	735	580
January 2020	640	569	625	573.50
February 2020	614	547.2	615.95	546.05
March 2020	614.45	300.4	614.90	295.10

Board's Report (Contd.)

f. Performance in comparison to the Broad based indices:



All the Equity shares of the Company are in the dematerialised form except six (6) shares as on March 31, 2020. The shares of the Company are traded on the Stock Exchanges in dematerialised form only.

g. Information regarding Dividend Payment

The Company has not paid any dividend in last 8 financial years and accordingly there is no amount liable to be transferred to Investor Education and Protection Fund (IEPF).

h. Registrar and Transfer Agent

The work related to share transfer registry in terms of both physical and electronic mode is being dealt with by M/s Kfin Technologies Private

Limited (erstwhile Karvy Fintech Private Limited) as per address given below:-

Kfin Technologies Private Limited
(Erstwhile Karvy Fintech Private Limited)
Selenium Tower B,
Plot 31-32, Gachibowli, Financial District
Nanakramguda, Hyderabad - 500 032
Tel: +91-40-67162222
Toll Free No: +18003454001
Fax: +91-40-67161500
E-Mail: einward.ris@kfintech.com
Website: www.kfintech.com

Board's Report (Contd.)

i. Statutory Auditors

Deloitte Haskins and Sells LLP
(Firm Reg. No. 117366W/W-100018)
Tower B, 7th Floor Building 10, DLF Cyber City,
DLF Phase 2, Gurugram, Haryana 122002

j. Share Transfer System

SEBI vide its press release dated March 27, 2019, amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Wherein it was intimated that transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository with effect from April 01, 2019.

The Company obtains a half-yearly certificate from a Company Secretary in Practice in respect of the share transfers as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with the Stock Exchanges.

k. Distribution Schedule As on March 31, 2020

Category (Amount)	Total Cases	Total Cases %	Total Shares	Total Amount (in ₹)	Total Amount %
1-5,000	17,676	99.1697	14,47,382	28,94,764	2.3544
5,001- 10,000	36	0.202	1,27,484	2,54,968	0.2074
10,001- 20,000	17	0.0954	1,23,164	2,46,328	0.2003
20,001- 30,000	5	0.0281	62,819	1,25,638	0.1022
30,001- 40,000	8	0.0449	1,40,525	2,81,050	0.2286
40,001- 50,000	8	0.0449	1,85,921	3,71,842	0.3024
50,001- 1,00,000	10	0.0561	3,75,479	7,50,958	0.6108
1,00,001& Above	64	0.3591	5,90,12,100	11,80,24,200	95.9939
Total	17,824	100	6,14,74,874	12,29,49,748	100

l. Dematerialization of shares

As on March 31, 2020, the issued Equity Capital of the Company comprises of 6,14,74,874 Equity Shares, out of this 6 shares comprising 0.00 % of the issued equity capital is in physical form. Out of 6 shares held in physical form, the Company has received the re-materialization request for 5 (five) shares during the year under review. These requests were executed and closed by the Registrar and Transfer Agent of the Company with in the stipulated time frame as prescribed under the law. The rest of equity shares are held in dematerialised form.

SEBI vide its press release dated March 27, 2019, amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 wherein it was intimated that transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository with effect from April 01, 2019.

The Company has specifically communicated to the shareholder holding the shares in physical form about the above regulation and a constructive notice is also placed on the website of the Company at <https://wforwoman.com/content/investor-relation/>.

m. Outstanding GDR's/ ADR's/ Warrants or any other Convertible Instruments, Conversion dates and likely impact on equity.

The Company has not issued any GDR's/ADR's/Warrants or any other Convertible Instruments during the year.

n. Commodity Price Risk or foreign exchange risk and hedging activities

The details for the same have been provided in the Notes to Financial Statements of the Company for the Financial Year 2019-20.

Board's Report (Contd.)**o. Plant/ Warehouse locations**

S No	Address
1.	Khasra No. 857, 859, 859 MIN, 859/1 & 859/1 MIN, Mandi Hills, Extended Abadi Lal- Dora, Village Dera mandi, New Delhi
2.	Khasra No. 522 Min., Extended abadi of Jonapur Village, Tehsil Mehrauli, New Delhi
3.	Khasra No. 23 & 24, Village Jonapur, New Delhi
4.	Khasra No. 15/15 (4-16) Village Samalkha, Tehsil Vasant Vihar, New Delhi
5.	Khasara No. 97/16/1, 17/18/19/22-23, Village Dhankot, Gurugram, Haryana -122505

p. Address for Correspondence

Registered Office: Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre New Delhi-110017.

Corporate Office: 119, New Mangalपुरi, W-House, Mandi Road, Sultanpur, Mehrauli, New Delhi-110030. Telephone No: 011-42193193/011-42193176

q. Name, Address and Contact Numbers of the Compliance Officer and Company Secretary

Mr. Piyush Asija, Company Secretary and Compliance Officer

119, New Mangalपुरi, W-House, Mandi Road, Sultanpur, Mehrauli, New Delhi- 110030.

Contact No: 011- 42193193/011-42193176

Email: investors@tcnsclothing.com

Company's website address:

www.wforwoman.com

Shareholders holding shares in the electronic mode should address all their correspondence to their respective depository.

r. Credit Rating

During the FY 2019-20, the Company has obtained a credit rating from Crisil on May 12, 2020 which was later revised on July 14, 2020 as follows:

Total Bank Loan Facilities Rated	₹ 75 Crore
Long Term Rating	CRISIL A + / Negative (A+ rating retained same as last year, Outlook reduced from "Stable" to "Negative" due to disruption of consumer sentiment)
Short Term Rating	CRISIL A1+ (Same as last year)

s. Other Disclosures

a) During the FY 2019-20, there was no materially significant related party transaction that may have any potential conflict with interest of the Company at large.

b) There were no non-compliance by the Company and no penalties, strictures and compounding were imposed on the Company by the stock exchanges or any other statutory authority on any matter related to capital markets during the last three years.

c) Whistle Blower Policy and Vigil Mechanism

The Company has formulated a Whistle Blower Policy and Vigil Mechanism, with an aim to deter and detect misconduct and to ensure that genuine concerns of misconduct/unlawful conduct, which an individual believes may be taking place, are raised at an early stage in a responsible and confidential manner. It is also affirmed that no Member or employee has been denied access to the Audit Committee and the Whistle Blower. The Audit Committee reviews the mechanism and all Whistle Blower complaints and investigations at all its Meetings. The Whistle Blower Policy has also been posted at the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

d) Compliance with mandatory and non-mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

a. Mandatory Requirements

The Company has complied with all the applicable mandatory requirements of the Listing Regulations.

b. Non-mandatory Requirements

The Company has adopted following discretionary requirements of Regulation 27(1) of the Listing Regulations:

i. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

Board's Report (Contd.)

e) Policy for Determining Material Subsidiaries

The policy for determining the material subsidiaries of the Company is available on the Website of the Company and the URL is: <https://wforwoman.com/content/lodr-policies/>.

f) Policy on related party transactions.

To comply with the provisions of Section 188 of the Act, and Rules made thereunder read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company took necessary prior approval of the Audit Committee and the Board before entering into related party transactions. All contracts /arrangements/transactions entered into by the Company with related parties, as defined under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year 2019, were in the ordinary course of business and on arm's length basis. Your Company has framed a Policy on Related Party Transactions in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the amended provisions of the Act. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The policy is uploaded on the website of the Company at <https://wforwoman.com/content/lodr-policies/>.

The Related Party Transaction Policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions as approved by the Board. A Statement of all related party transactions is presented before the Audit Committee on a quarterly basis for review and prior/omnibus approval is also obtained for the entire year, specifying the nature, value and terms and conditions of the transactions.

None of the transactions with the related parties fall under the scope of Section 188(1) of the Companies Act, 2013.

The details of Related Party transactions pursuant to Section 134(h) of the Act read with Rule 8 of the Companies(Accounts)

Rules, 2014 are forming part of Notes to Account and also given in **Annexure 'L'**.

g) Policy for Determination of Material Subsidiary and Governance of Subsidiaries can be accessed at <https://wforwoman.com/content/lodr-policies/>. There is no subsidiary company.

h) During the Financial Year 2019-20, the Company had no exposure to foreign exchange risk.

i) The Company has not raised funds through preferential allotment or qualified institutions. During the year allotments have been made to employees under the TCNS Employee Stock Option Scheme.

j) Total fees for all services paid by the listed entity, to the statutory auditor during the year: The Company has paid to Deloitte Haskins and Sells LLP, the Statutory Auditors, the following amounts:

Statutory Audit Fee: ₹ 7.50 million.

Other Fees including reimbursement of expenses: ₹ 4.53 million.

k) Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

To comply with provisions of Section 134 of the Act and rules made there under, your Company has duly constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee constitutes the following members:

S. No	Name of the Committee Member	Position
1.	Ms. Aarti Ahuja	Chairperson
2.	Mr. Venkatesh Tarakkad	Member
3.	Ms. Sarmistha Patel	Member
4.	Mr. Anuj Sharma	Member (External NGO- Legal)

a. number of complaints filed during the financial year: 3

b. number of complaints disposed of during the financial year: 2

c. number of complaints pending as on end of the financial year: 1

Note: The pending complaint has been addressed and closed subsequent to end of the financial year.

Board's Report (Contd.)

- l) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed: Not Applicable

As per Clause 13 of Part C of Schedule V to the Listing Regulations, the Company has made 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 of the Listing Regulations.

m) **Secretarial Audit**

During the year, the Board of Directors of the Company had appointed Himanshu G And Associates C. P. No.-10398 (Company Secretary in Whole-time Practice), to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the Rules framed thereunder and to provide Secretarial Compliance Report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2019-20 (**Annexure 'K' of Annual Report**).

n) **Certificate under part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on qualification of Directors**

A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies

For and on behalf of Board of Directors

Sd/-
ANANT KUMAR DAGA
Managing Director
DIN: 07604184

Place: New Delhi
Date: June 20, 2020

by the Board/Ministry of Corporate Affairs or any such statutory authority has been issued pursuant to Schedule V, Part C, Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Sanjay Grover & Associates, Company Secretaries, Firm Registration No.: P2001DE052900 forming part of this report as **Annexure 'I'**.

CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Certificate on Corporate Governance from Sanjay Grover & Associates, Practicing Company Secretary, Company Secretaries Firm Registration No.: P2001DE052900 is forming part of this Report as **Annexure 'II'**.

MANAGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Managing Director cum CEO and CFO certification as stipulated in the Regulation 17(8) of Listing Regulations was placed before the Board along with financial statement (s) for the year ended March 31, 2020. The Board reviewed and took note of the same. The said certificate forms part of this Report as **Annexure 'III'**.

DECLARATION UNDER REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

All the members of the Board, KMP (Key Managerial Personnel) and Senior Management have affirmed Compliance to the code of Conduct for the Financial Year 2019-20.

Sd/-
ONKAR SINGH PASRICHA
Chairman & Executive Director
DIN: 00032290

Board's Report (Contd.)**ANNEXURE I****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To

The Members**TCNS Clothing Co. Limited**

Unit No, 112 F/F Rectangle 1,
D-4 Saket District Centre,
New Delhi-110017

- That TCNS Clothing Co. Limited (CIN: L99999DL1997PLC090978) is having its registered office at Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre, New Delhi-110017 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
- We have examined the relevant disclosures received from the Directors, registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications and examination of the disclosures under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on March 31, 2020 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority:

S.No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company
1.	Mr. Onkar Singh Pasricha	00032290	03/12/1997
2.	Ms. Sangeeta Talwar	00062478	14/12/2017
3.	Mr. Bhaskar Pramanik	00316650	14/12/2017
4.	Ms. Neeru Abrol	01279485	14/12/2017
5.	Mr. Naresh Patwari	03319397	18/08/2016
6.	Mr. Anant Kumar Daga	07604184	07/09/2016

- Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For **SANJAY GROVER & ASSOCIATES**
Company Secretaries
Firm Registration No.: P2001DE052900

DEVESH KUMAR VASISHT

Managing Partner

CP No.: 13700

UDIN.: F008488B000362380

Place: New Delhi
Date: June 20, 2020

Board's Report (Contd.)**ANNEXURE II**
Certificate on Corporate Governance

To
The Members
TCNS Clothing Co. Limited

We have examined the compliance of conditions of Corporate Governance by TCNS Clothing Co. Limited ("the Company"), for the financial year ended March 31, 2020, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

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

For **SANJAY GROVER & ASSOCIATES**
Company Secretaries
Firm Registration No.: P2001DE052900

DEVESH KUMAR VASISHT
Managing Partner
CP No.: 13700
UDIN: F008488B000362446

Place: New Delhi

Date: June 20, 2020

Board's Report (Contd.)**ANNEXURE III**
MD and CFO Certification

To
The Board of Directors of
TCNS Clothing Co. Limited

- A. We have reviewed the financial statements for the fourth quarter and financial year ended on March 31, 2020 and to best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading; and
 - ii) These statements together present a true and fair view of company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief no transactions entered into by company, during the fourth quarter and financial year ended March 31, 2020, are fraudulent, illegal or violative of Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee, steps have taken to rectify these deficiencies.
- D. We have indicated to Auditors and Audit Committee:
- i) there has not been any significant change in internal control over financial reporting during the quarter;
 - ii) there has not been any significant change in accounting policies during the quarter; requiring disclosure in the notes to financial statements; and
 - iii) We are not aware of any instances during the quarter of significant fraud with involvement therein of the management or any employee having a significant role on Company's internal control system over financial reporting.

Date: June 20, 2020

Place: New Delhi

VENKATESH TARAKKAD
Chief Financial Officer

ANANT KUMAR DAGA
Managing Director
DIN: 07604184

Board's Report (Contd.)**Annexure 'K'**

The Members
TCNS CLOTHING CO. LIMITED
CIN: L99999DL1997PLCO90978
Unit No. 112, F/F Rectangle 1,
D-4, Saket, District Centre,
New Delhi 110017

Our Secretarial Audit Report of even date, for the financial year 2019-20 is to be read along with this letter.

MANAGEMENT RESPONSIBILITY

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

AUDITOR'S RESPONSIBILITY

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and book of accounts of the Company.

For **HIMANSHU G AND ASSOCIATES**
Company Secretaries

HIMANSHU GROVER
Proprietor
FCS-8965, C. P. No.-10398

Date: June 23, 2020
Place: New Delhi

Board's Report (Contd.)**Form MR-3****SECRETARIAL AUDIT REPORT**

For Financial Year Ended 2019-20

[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
TCNS CLOTHING CO. LIMITED
(erstwhile TCNS Clothing Co. Private Limited)
CIN: L99999DL1997PLCO90978
Unit No. 112, F/F Rectangle 1,
D-4, Saket, District Centre,
New Delhi 110017

I, Himanshu Grover c/o Himanshu G And Associates, Company Secretaries (FCS-8965, CP-10398), L-2A, Hauz Khas Enclave, New Delhi - 110016, have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TCNS CLOTHING CO. LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **TCNS CLOTHING CO. LIMITED** ("**The Company**") for the period ended on **March 31, 2020**, according to the provisions of:
 - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; [**Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**];
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [**Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review**].
- VI. Other Laws viz. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, The Employees' State Insurance Act, 1948, Payment of Gratuity Act 1972, Indian Stamp Act, 1899, Trademarks Act, 1999 etc.

Board's Report (Contd.)

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

- i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited-

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

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) notice of Board meetings and Committee meetings of Directors;
- e) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) the 22nd Annual General Meeting held on August 26, 2019;
- g) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- i) constitution of the Board of Directors/ Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- j) payment of remuneration to Directors including the Managing Director and Whole-time Directors,

- k) appointment/re-appointment and remuneration of Auditors;
- l) transfer of the Company's shares;
- m) borrowings and registration, modification and satisfaction of charges wherever applicable;
- n) Report of Board of Directors';
- o) contracts, common seal, registered office and publication of name of the Company; and
- p) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
- b) Adequate notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for some meetings however reasonable efforts has been made to avoid instances of delay, 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.
- c) The Company has obtained all necessary approvals under the various provisions of the Act;
- d) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, SEBI LODR (Listing Obligations and Disclosure Requirement) and Rules, Regulations and Guidelines framed under these Acts against/on the Company, its Directors and Officers; and
- e) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

Board's Report (Contd.)

4. I further report that based on the information received and records maintained 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.

5. I further report that during the audit period there were following specific events/actions having a major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

- a) The Company allotted Equity Shares under the ESOP Scheme "TCNS ESOP SCHEME 2014-17 as per below table:
 - 57,750 Equity Shares allotted on May 28, 2019
 - 80,250 Equity Shares allotted on August 08, 2019
 - 7,500 Equity Shares allotted on November 08, 2019
 - 6,250 Equity Shares allotted on February 06, 2020
- b) The Company's operations and revenue were affected during the Lockdown Period in India during 22nd - 31st March, 2020. The Company also complied with COVID 2019 MCA Guidelines as specified by MCA on recommendatory basis.

6. I further report that during the audit period there are following comments on last year's observations.

S. No.	Statue	Comments
1	Local Municipal Laws	The Corporate Office and warehouses are located on 'Lal Dora' (urban villages) lands in New Delhi. While 'Lal Dora' lands in Delhi have historically been exempt from certain provisions of the Delhi Municipal Corporation Act, 1957, the use of such land for commercial purposes has been, in recent years, subject to increasing regulation by local municipal authorities. The Company is in the process of shifting warehouse to commercial areas. It has already moved all new season Finished Goods from December 2019 to a new location.
2	Maternity Benefit (Amendment) Act, 2017	In house crèche facility or such facility through agreement/ arrangement with outside party is not available. However the Company is reimbursing the crèche cost on 50-50 basis. The Company has taken declaration from all the corporate employees that they want to take a crèche facility at their own premises only and the Company shall reimburse the amount for the same. The employees have shown their comfort in arranging crèche facility for their children rather than availing Company's crèche facility.

For **HIMANSHU G AND ASSOCIATES**
Company Secretaries

HIMANSHU GROVER

Proprietor
FCS-8965, C. P. No.-10398
UDIN: F008965B000367554

Date: June 23, 2020
Place: New Delhi

Board's Report (Contd.)

ANNEXURE 'L'

FORM NO. AOC-2

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

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

Not Applicable

Point no. 1 of Form No. AOC -2 is not applicable

- Name(s) of the related party and nature of relationship
- Nature of contracts/arrangements/transactions
- Duration of the contracts/arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date of approval by the Board
- Amount paid as advances, if any:
- Date on which the ordinary resolution was passed in general meeting as required under first proviso to section 188

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Not Applicable

- Name(s) of the related party and nature of relationship
- Nature of contracts/arrangements/transactions
- Duration of the contracts/arrangements/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any:
- Date(s) of approval by the Board, if any:
- Amount paid as advances, if any:

During the year, the Company has entered into related party transaction with group company TCNS Limited (Group Company), Mr. Saranpreet Pasricha (relative of the Chairman) and Talentnomics India having Common Directors on the Board of Company.

S. No	Particulars			
(a)	Name(s) of the related party and nature of relationship	TCNS Limited-Group Company with common promoters	Mr. Saranpreet Pasricha Relative (Son) of Chairman and Executive Director	Talentnomics India
(b)	Nature of contracts/arrangements/transactions	Job Work	Head (International Business)	Seminars and Skill Development Programmes
(c)	Duration of the contracts/arrangements/transactions	On-going	As per the terms of appointment	No fixed Term contract

Board's Report (Contd.)

S. No	Particulars			
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	At arms - length and in ordinary course of business. An omnibus approval of 750 million by way of a shareholders approval obtained though it is not a material related transaction	As per the terms of appointment maximum permissible compensation of ₹ 1 million per month shall be paid.	At arms - length and in ordinary course of business. An omnibus approval of 10 million by way of a Board approval for unforeseen transactions was obtained though it is not a material transaction
(e)	Justification for entering into such contracts or arrangements or transactions	NA	Mr. Saranpreet Pasricha has requisite experience, skills and qualifications for the role. Remuneration is in line with industry.	As per training need
(f)	Date(s) of approval by the Audit Committee / Board, if any:	February 08, 2019	February 08, 2019	February 08, 2019
(g)	Amount i. paid as advances, if any: ii. transaction during the year	Nil ₹ 306.6 million	Nil ₹ 5.26 million	NIL ₹ 0.11 million
(h)	Date on which the ordinary resolution was passed in general meeting as required under first proviso to section 188	August 26, 2019	August 26, 2019	Not Applicable

For **TCNS CLOTHING CO. LIMITED**

Sd/-

ANANT KUMAR DAGA

Managing Director
DIN: 07604184

Place: New Delhi

Date: June 20, 2020

Sd/-

ONKAR SINGH PASRICHA

Chairman & Executive Director
DIN: 00032290

Independent Auditor's Report

TO THE MEMBERS OF TCNS CLOTHING CO. LIMITED (FORMERLY KNOWN AS TCNS CLOTHING CO. PRIVATE LIMITED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of TCNS CLOTHING CO. LIMITED (FORMERLY KNOWN AS TCNS CLOTHING CO. PRIVATE LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing

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

Emphasis of Matter

We draw your attention to Note 43 of the Financial Statements, which describes the possible effects of uncertainties relating to COVID-19 pandemic on the Company's operations and results as assessed by the management.

Our opinion is not modified in respect of this matter.

Key Audit Matter

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

Key Audit Matter	Auditor's Response
<p>Determination of provision for obsolescence and Net Realisable Value (NRV) for old inventories (refer note 2.17 and 10 to the Financial Statements)</p> <p>Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses as considered necessary.</p> <p>As at March 31, 2020, the Company held inventories of INR 3,301.90 million net of provision of INR 729.75 million.</p> <p>The Company considers year and seasonality to which inventory pertains for determining net realisable value for old inventories. Such old inventories are further</p>	<p>Principal audit procedures:</p> <p>We have:</p> <ul style="list-style-type: none"> Obtained understanding and evaluated the design and implementation of controls that the Company has established for determining the net realisable value of old inventories; On sample basis, verified that the inventory is valued at lower of the cost or net realisable value. Assessed the appropriateness of the method of determining the cost of the inventory and the net realisable value; Obtained the working for the provision on slow moving/obsolete inventory and re-performed

Independent Auditor's Report (Contd.)

Key Audit Matter	Auditor's Response
<p>marked down to its estimated realisable value based on amount which the Company has been able to realise on sale of old inventory around the period end.</p> <p>As a result, the management applies judgement in determining the appropriate provisions for slow moving and/or obsolete stock, based on the analysis of old season inventories, past experience, current trend and future expectations for these inventories, depending upon the category of goods.</p> <p>We identified such estimation process for old inventories as key audit matter due to material account balance</p>	<p>the calculation for the provision computed by the management;</p> <ul style="list-style-type: none"> Evaluated the historical accuracy of the management's estimations; and Tested appropriateness of the disclosures in the financial statements in respect of such provision created by the Company.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report including annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially mis-stated.
- If, based on the work we have performed, we conclude that there is a material mis-statement of this other information, we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the

Independent Auditor's Report (Contd.)

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of mis-statements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified mis-statements in the financial statements.

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

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

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

Other Matters

On account of the COVID-19 related lock-down restrictions, management was able to perform year end physical verification of inventories, subsequent to the year end at certain locations. We were not able to physically observe the verification of inventory that was carried out by the Management. Consequently, we have performed alternate procedures to audit the existence of Inventory as per the guidance provided by in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these Financial Statements. Our report on the Financial Statements is not modified in respect of this matter.

Independent Auditor's Report (Contd.)**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the Directors as on March 31, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2020 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 32A to the financial statements).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses (Refer Note 32.3 to the financial statements).
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company (Refer Note 32.4 to the financial statements).
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Satpal Singh Arora
Partner

New Delhi (Membership No. 098564)
June 20, 2020 UDIN No. 20098564AAAAAY8468

Annexure 'A'

To the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **TCNS CLOTHING CO. LIMITED (FORMERLY KNOWN AS TCNS CLOTHING CO. PRIVATE LIMITED)** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities includes 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 Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depends on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial controls over financial reporting 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 over financial reporting 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Annexure 'A' to the Independent Auditor's Report (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate

internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the 'Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India'.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Satpal Singh Arora

Partner

New Delhi
June 20, 2020

(Membership No. 098564)
UDIN No. 20098564AAAAAY8468

Annexure 'B'

To the Independent Auditor's Report

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

(i) In respect of its property, plant & equipment (fixed assets):

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular plan of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.

(ii) In our opinion and according to the information and explanations given to us, the inventories were physically verified during the year by the Management at reasonable intervals other than goods in transit for which subsequent receipts have been verified and no material discrepancies were noticed on physical verification. In case of inventories lying with the third parties, confirmations have been received by the Management for stock held at the year-end and no material discrepancies were noticed in respect of such confirmations.

(iii) 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.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Also refer to the note 32.5 to the financial statements regarding management assessment on certain matters relating to provident fund. The operations of the Company didn't give rise to Excise duty.

b) There are no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

c) Details of dues of Income-tax and Sales tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount Relates	Amount (in million)*
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2010 - 2011 2011 - 2012	2.70
Income Tax Act, 1961	Income Tax	Assessing Officer	2012 - 13	1.17
Sales Tax/ Value Added Tax laws	Sales Tax	Assessing Officer	2006 - 2007 2013 - 2014 2014 - 2015	2.15

Annexure 'B' to the Independent Auditor's Report (Contd.)

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount Relates	Amount (in million)*
Sales Tax/ Value Added Tax laws	Sales Tax	Objection hearing authority, Value Added Tax	2007 - 2008 2008 - 2009 2009 - 2010 2010 - 2011 2014 - 2015 2015 - 2016	6.53
Sales Tax/ Value Added Tax laws	Entry Tax	Assessing Officer	2015 - 2016	0.45
Central Excise Act, 1944	Excise Duty	GST Commissioner	2015 - 16	3.23

*Net of Rs Nil paid under protest.

We have been informed that there are no dues of Goods and Services Tax and Custom Duty which have not been deposited as on March 31, 2020 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loan or borrowings from government or financial institutions and government nor has issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer or term loans during the year and hence reporting under clause (ix) of the CARO 2016 is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Satpal Singh Arora
Partner

(Membership No. 098564)

UDIN No. 20098564AAAAAY8468

New Delhi
June 20, 2020

Balance Sheet

As at March 31, 2020

(All amounts in ₹ million except otherwise specified)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	4(a)	397.29	535.98
(b) Capital work-in-progress		21.17	2.83
(c) Right-of-use assets	4(b)	3,083.64	-
(d) Intangible assets	5	36.33	56.28
(e) Financial assets			
Other financial assets	6	479.58	508.99
(f) Deferred tax assets (net)	7	349.70	159.72
(g) Income tax assets (net)	8	455.20	126.02
(h) Other non-current assets	9	28.93	82.47
Total non-current assets		4,851.84	1,472.29
2. Current assets			
(a) Inventories	10	3,301.90	2,740.83
(b) Financial assets			
(i) Investments	11	1,180.75	1,377.52
(ii) Trade receivables	12	1,756.20	1,807.25
(iii) Cash and cash equivalents	13	529.44	215.63
(iv) Bank balances other than (iii) above	14	2.80	15.24
(v) Other financial assets	6	37.12	1.05
(c) Other current assets	9	315.77	229.12
Total current assets		7,123.98	6,386.64
Total assets		11,975.82	7,858.93
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	15	122.95	122.65
(b) Other equity	16	6,477.05	6,062.96
Total equity		6,600.00	6,185.61
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	35	2,994.52	-
(ii) Other financial liabilities	18	66.75	60.35
(b) Provisions	19	122.41	77.99
(c) Other non-current liabilities	20	4.62	5.80
Total non-current liabilities		3,188.30	144.14
3. Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	35	625.02	-
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	21	289.78	184.40
(b) total outstanding dues other than (ii) (a) above	21	933.16	965.57
(iii) Other financial liabilities	18	76.91	78.97
(b) Provisions	19	3.04	1.87
(c) Income tax liabilities (net)	22	57.47	57.47
(d) Other current liabilities	20	202.14	240.90
Total current liabilities		2,187.52	1,529.18
Total liabilities		5,375.82	1,673.32
Total equity and liabilities		11,975.82	7,858.93

See accompanying notes forming part of these financial statements (1-44)

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration Number: 117366W/W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited

Onkar Singh Pasricha
Chairman
DIN : 00032290

Venkatesh Tarakkad
Chief Financial Officer

Place : New Delhi
Date : June 20, 2020

Anant Kumar Daga
Managing Director
DIN : 07604184

Piyush Asija
Company Secretary
ICSI M. No. 21328

Statement of Profit and Loss

For the year ended March 31, 2020

(All amounts in ₹ million except otherwise specified)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
1. Revenue from operations	23	11,486.67	11,479.53
2. Other income	24	211.39	75.21
3. Total income (1+2)		11,698.06	11,554.74
4. Expenses			
(a) Cost of materials consumed	25	4,506.82	4,351.60
(b) Purchases of stock-in-trade		93.15	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(576.68)	(452.48)
(d) Employee benefits expense	27	1,575.90	1,437.74
(e) Finance costs	28	381.89	5.14
(f) Depreciation and amortisation expense	29	1,031.51	222.10
(g) Other expenses	30	4,024.84	4,374.41
Total expenses		11,037.43	9,938.51
5. Profit before tax (3-4)		660.63	1,616.23
6. Tax expense:			
- Current tax	31	180.79	348.67
- Adjustment for tax related to earlier years	31	(243.66)	-
- Deferred tax expense/(credit)	7	29.38	(46.79)
Total tax expense		(33.49)	301.88
7. Profit for the year (5-6)		694.12	1,314.35
8. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Re-measurement of the defined benefit plans		(13.33)	5.96
(b) Tax related to above item	31	3.35	(2.08)
Total other comprehensive income / (expense) for the year (net of tax)		(9.98)	3.88
9. Total comprehensive income for the year (7+8)		684.14	1,318.23
Earnings per equity share (Face value of ₹ 2 each):			
Basic (in ₹)	34	10.85	20.95
Diluted (in ₹)	34	10.84	20.60

See accompanying notes forming part of these financial statements (1-44)

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration Number: 117366W/W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

Place : New Delhi
Date : June 20, 2020

For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited

Onkar Singh Pasricha
Chairman
DIN : 00032290

Venkatesh Tarakkad
Chief Financial Officer

Place : New Delhi
Date : June 20, 2020

Anant Kumar Daga
Managing Director
DIN : 07604184

Piyush Asija
Company Secretary
ICSI M. No. 21328

Cash Flow Statement

For the year ended March 31, 2020

(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	660.63	1,616.23
Adjustments for		
Depreciation and amortisation expense	1,031.51	222.10
Re-measurement of defined benefit plan	(13.33)	5.96
Interest and dividend income	(115.98)	(48.53)
Finance costs	381.89	5.14
Loss on sale of property, plant and equipment	10.21	13.29
Property, plant and equipment written off	18.09	6.41
Allowance for expected credit loss	44.38	13.87
Lease liability written back	(52.58)	-
Fair valuation of investments	(0.35)	1.54
Share based payments	86.92	164.05
Operating profit before working capital changes	2,051.39	2,000.06
Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(561.07)	(501.42)
Trade receivables	6.67	(250.62)
Other financial assets	29.40	(115.93)
Other assets	(32.70)	95.79
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Other financial liabilities	3.64	10.82
Other liabilities	(39.94)	(45.26)
Provisions	45.59	22.91
Trade payables	72.97	5.65
Cash generated from operations	1,575.96	1,222.00
Less: Income tax paid (including tax deducted at source)	(266.32)	(322.51)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	1,309.64	899.49
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment (including capital work-in-progress and capital advances)	(324.43)	(256.83)
Capital expenditure on intangible assets (including capital advances)	(3.95)	(6.30)
Proceeds from sale of property, plant and equipment	13.63	25.81
Purchase of current investments	(4,603.02)	(2,597.31)
Sale of current investments	4,156.58	1,239.02
Sale of non-current investments	643.57	-
Net investment in bank deposits	12.44	108.67
Interest and dividend received	79.91	53.19
NET CASH USED IN INVESTING ACTIVITIES (B)	(25.27)	(1,433.75)

Cash Flow Statement For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of current borrowings	-	(0.04)
Repayment of non-current borrowings	(2.18)	(0.48)
Shares issued on exercise of employee stock options	45.52	388.62
Payment on account of lease liabilities	(632.01)	-
Finance costs (including payment of lease rentals)	(381.89)	(5.14)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(970.56)	382.96
Net (decrease)/increase in cash and cash equivalents (A+B+C)	313.81	(151.30)
Cash and cash equivalents at the beginning of the year	215.63	366.93
Cash and cash equivalents at the year-end*	529.44	215.63
* Cash and cash equivalents at the end of the year comprises		
- Cash on hand	2.15	11.03
- Balances with banks		
In current accounts	27.29	204.60
In deposits	500.00	-
	529.44	215.63

See accompanying notes forming part of these financial statements (1-44)

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration Number: 117366W/W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

Place : New Delhi
Date : June 20, 2020

**For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited**

Onkar Singh Pasricha
Chairman
DIN : 00032290

Venkatesh Tarakkad
Chief Financial Officer

Place : New Delhi
Date : June 20, 2020

Anant Kumar Daga
Managing Director
DIN : 07604184

Piyush Asija
Company Secretary
ICSI M. No. 21328

Statement for changes in the equity

For the year ended March 31, 2020

(All amounts in ₹ million except otherwise specified)

a. Equity share capital (refer note 15)

Particulars	Amount
Opening balance as at April 1, 2018	112.74
Changes in equity share capital during the period	9.91
Balance as at March 31, 2019	122.65
Changes in equity share capital during the period	0.30
Balance as at March 31, 2020	122.95

b. Instruments entirely equity in nature (refer note 15A)

Particulars	Amount
Convertible Redeemable Debentures (CRDs)	
Opening balance as at April 1, 2018	242.27
Issued during the year	-
Converted during the year	(242.27)
Balance as at March 31, 2019	-
Issued during the year	-
Converted during the year	-
Balance as at March 31, 2020	-

c. Other equity (refer note 16)

Particulars	Reserves and surplus				Total
	General Reserve	Securities premium	Share option outstanding account	Retained Earnings	
Opening balance as at April 1, 2018	29.60	1,820.09	1,117.76	992.22	3,959.67
Recognition of share based payments	-	-	164.08	-	164.08
Additions during the year	-	620.98	-	-	620.98
Transfer in respect to share option exercised during the year	-	793.26	(793.26)	-	-
Profit for the year	-	-	-	1,314.35	1,314.35
Re-measurement of defined benefit plan (net of tax)	-	-	-	3.88	3.88
Balance as at March 31, 2019	29.60	3,234.33	488.58	2,310.45	6,062.96
Recognition of share based payments	-	-	86.92	-	86.92
Additions during the year	-	45.22	-	-	45.22
Transfer in respect to share option exercised during the year	-	17.84	(17.84)	-	-
Transition impact of IndAS116 (net of tax) (refer note 35)	-	-	-	(402.19)	(402.19)
Profit for the year	-	-	-	694.12	694.12
Re-measurement of defined benefit plan (net of tax)	-	-	-	(9.98)	(9.98)
Balance as at March 31, 2020	29.60	3,297.39	557.66	2,592.40	6,477.05

See accompanying notes forming part of these financial statements 1-44

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration Number: 117366W/W-100018)

Satpal Singh Arora
Partner
(Membership No. 098564)

For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited

Onkar Singh Pasricha
Chairman
DIN : 00032290

Venkatesh Tarakkad
Chief Financial Officer

Place : New Delhi
Date : June 20, 2020

Anant Kumar Daga
Managing Director
DIN : 07604184

Piyush Asija
Company Secretary
ICSI M. No. 21328

Place : New Delhi
Date : June 20, 2020

Notes forming part of the Financial Statements

For the year ended March 31, 2020

(All amounts in ₹ million except otherwise specified)

1. GENERAL INFORMATION

TCNS Clothing Co. Private Limited ("the Company") was incorporated in India having its registered office at, Unit No. 112, F/F Rectangle 1, D-4, Saket, District Centre New Delhi - 110017.

The Company is primarily engaged in the business of women apparels and accessories under the brand name "W", "Aurelia", "Wishful" and "Elleven".

A fresh certificate of incorporation consequent to the change in name to TCNS Clothing Co. Limited was issued by the Registrar of Companies Delhi on January 19, 2018 under section 18 of the Companies Act, 2013 to give effect to the change in name of the Company. During the year ended March 31, 2019, the Company had completed the initial offering through an offer for sale of equity shares by certain selling shareholders. The equity shares of the Company were listed on National Stock Exchange ('NSE') and BSE Limited ('BSE') with effect from July 30, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2. Application of new Indian Accounting Standard

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

2.3. Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics

of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.4. Functional and presentation currency

These financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5. Operating Cycle

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

2.6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.7. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

2.7.1. Sale of goods

The Company derives revenue from Sale of Goods and revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods. To recognise revenues, the Company applies the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognize revenues when a performance obligation is satisfied.

The Company assesses its revenue arrangement in order to determine if its business partner is acting as a principle or as an agent by analysing various factors such as whether the Company has exposure to the risk of unsold inventory, if it has price latitude and exposure to credit risk associated with the sale of goods.

The Company has concluded that certain arrangements with its business partner, where the Company has an unconditional obligation relating to unsold inventory, are on principal to agent basis and for other cases the Company has concluded that its arrangements with business partners are on principal to principal.

The transfer of control of promised goods as above, generally coincides with the delivery of goods to customers.

- For business partner acting as principal, revenue is recognised upon sale to business partner.
- For business partner acting as agent, revenue is recognised once goods are sold by business partner to end-customers.

Sales are recognised, net of returns and trade discounts, rebates, and Goods and services tax (GST).

2.7.2. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.7.3. Dividend

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

2.8. Leases

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

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

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

2.9. Foreign currency Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss and reported within foreign exchange gains / (losses).

2.10. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure or qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11. Employee benefits

Company's Employee benefit obligations include Short-term obligations, compensated absences and Post-employment obligations which includes gratuity plan and contributions to provident fund.

2.11.1. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

2.11.2. Compensated absences

Compensated absences in form of earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.11.3. Post-employment obligations

Defined benefit plans

The Company has defined benefit plan namely gratuity. The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company has defined contribution plans for post-employment benefit namely the provident fund. The Company's contribution thereto is charged to the statement of profit and loss every year. The Company has no further payment obligations once the contributions have been paid.

2.12. Share-based payment to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 39 and 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.13. Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.13.1. Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates applicable for the respective period.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

2.13.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in these financial statements and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.13.3. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14. Property, plant and equipment and Capital work-in-progress

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress

Projects under which tangible property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.14.1. Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a pro-rata basis from the date on which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives.

Depreciation has been provided in accordance with useful lives assessed lower than the life prescribed in Schedule

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

In accordance with the Companies Act, 2013, taking into account the nature of the asset, the estimated usage of the asset, the management's estimates of the useful lives of the various categories of assets are as follows:

Plant and equipment	4 years
Furniture and fixtures	5 years
Office equipment	3 years
Computers	3 years
Vehicles	5 years

Leasehold improvements are amortised on a straight line basis over lease term or 5 years whichever is less.

The assets residual values and useful lives are reviewed and adjusted, if applicable, at the end of each reporting period.

2.14.2. Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss within other gains / (losses).

2.15. Intangible assets

2.15.1. Intangible assets acquired separately

Intangible assets comprising of computer software acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. They are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives. All other costs on software are expensed in the statement of profit and loss as and when incurred.

2.15.2. Derecognition policy

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

2.15.3. Amortisation method and periods

Intangible assets i.e. software are amortised on a straight line basis over its estimated useful life i.e. 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.16. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.17. Inventories

Inventories of raw material, finished good, stores & spares and stock-in-trade are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.18. Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.19. Financial instruments

Initial Recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Subsequent measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.20. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.20.1. Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

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The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Investments in debt mutual funds are measured at fair value through profit or loss as per the business model and contractual cash flow test.

2.20.2. Impairment of financial assets

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

For other financial assets carried at amortised cost the Company assesses, on a forward looking basis, the expected credit losses associated with such assets and recognises the same in profit or loss.

2.20.3. Derecognition of financial assets

The Company derecognises financial assets in accordance with the principles of Ind AS 109 which usually coincides receipt of payment or write off of the financial asset.

2.21. Financial liabilities and equity instruments

2.21.1. Classification of debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.21.2. Compound Financial Instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the

Company's own equity instruments is an equity instruments.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in other equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

2.21.3. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

2.21.4. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and Commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.21.5. Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit and loss account.

2.21.6. Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.22. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to

be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.23. Cash and cash equivalents and Cash Flow Statement

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

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.24. Segment information

The Company is primarily engaged in the business of women apparel and accessories in India. As the Company's business activity primarily falls within a single business and geographical segment there are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

3. USE OF ESTIMATES AND CRITICAL ACCOUNTING JUDGEMENTS

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Such judgments, estimates

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and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed below.

3.1 Property, plant and equipment and Intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology etc.

3.2 Leases

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

3.3 Inventories

The Company considers year and seasonality to which inventory pertains for determining net realisable value for old inventories. Such old inventories are further marked down to its estimated realisable value based on amount

which the Company has been able to realise on sale of old inventory around the period end. the management applies judgement in determining the appropriate provisions for slow moving and/ or obsolete stock, based on the analysis of old season inventories, past experience, current trend and future expectations for these inventories, depending upon the category of goods.

3.4 Employee benefits

Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in Note 36.

3.5 Share-based payments to employees

The fair value of share-based payments to employees determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The fair value of stock options at the grant date are determined by an independent valuer using assumptions and method determined by the Company.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

3.6 Taxes

Current tax

The Company's tax jurisdiction is in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

In arriving at taxable profit and tax bases of assets and liabilities, the Company recognised taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

Deferred tax

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

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

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

3.7 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the internal and external sources of information and economic forecast, up to the date of approval of these financial statements, in determining the impact of COVID-19 pandemic on various elements of its business operations and financial statements including capital and financial resources, profitability, liquidity position and supply chain. The Company has used the principles of prudence in applying the judgements, estimates and assumptions and based on current estimates, the Company expects to recover the carrying value of its current and non-current assets.

The impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The management has made initial assessment of likely adverse effect impact on business and financial risks, and believes that the impact is likely to be short term in nature. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements based on the current estimates that the management believe are reasonable in the current circumstances and depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy (also refer Note 43).

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

4. (a) PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying amounts of :		
Plant and equipment	1.98	0.48
Vehicles	7.04	11.00
Office equipment	33.33	42.99
Computers	17.50	25.92
Furniture and fixtures	104.43	152.41
Leasehold improvements	233.01	303.18
	397.29	535.98

Particulars	Plant and equipment (Refer note 'i' below)	Vehicles (Refer note 'ii' below)	Office equipment (Refer note 'i' below)	Computers (Refer note 'i' below)	Furniture and fixtures (Refer note 'i' below)	Leasehold improvements (Refer note 'i' below)	Total
Gross carrying value							
Opening balance as at April 1, 2018	3.50	28.31	94.35	15.56	196.06	420.88	758.66
Additions	0.06	-	28.14	32.50	60.10	151.49	272.29
Disposals / adjustments	-	-	(10.25)	(5.01)	(8.19)	(104.61)	(128.06)
Balance as at March 31, 2019	3.56	28.31	112.24	43.05	247.97	467.76	902.89
Additions	2.00	-	19.95	4.79	20.21	75.67	122.61
Disposals / adjustments	(0.30)	-	(18.49)	(8.27)	(42.42)	(94.78)	(164.26)
Balance as at March 31, 2020	5.26	28.31	113.70	39.56	225.76	448.65	861.24
Accumulated depreciation							
Opening balance as at April 1, 2018	1.72	11.10	48.50	8.68	57.53	125.45	252.98
Depreciation expense	1.36	6.21	28.53	13.22	54.49	99.14	202.95
Disposals / adjustments	-	-	(7.78)	(4.77)	(16.46)	(60.01)	(89.02)
Balance as at March 31, 2019	3.08	17.31	69.25	17.13	95.56	164.58	366.91
Depreciation expense	0.20	3.96	28.56	13.13	64.41	127.20	237.46
Disposals / adjustments	-	-	(17.45)	(8.19)	(38.65)	(76.13)	(140.42)
Balance as at March 31, 2020	3.28	21.27	80.37	22.07	121.33	215.64	463.95
Net carrying value							
As at March 31, 2020	1.98	7.04	33.33	17.50	104.43	233.01	397.29
As at March 31, 2019	0.48	11.00	42.99	25.92	152.41	303.18	535.98

Notes:

- Property, Plant and equipment except vehicles have been pledged against cash credit.
- Vehicles loan was secured by first and exclusive charge on respective vehicle.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

4. (b) RIGHT-OF-USE ASSET (REFER NOTE 35)

Particulars	Right-of-use asset
Gross carrying value	
Opening balance as at April 1, 2019	-
Recognised on adoption of IndAS116	3,341.53
Additions	713.31
Disposals / adjustments	(270.63)
Balance as at March 31, 2020	3,784.21
Accumulated depreciation	
Opening balance as at April 1, 2019	-
Depreciation expense	770.15
Disposals / adjustments	(69.58)
Balance as at March 31, 2020	700.57
Net carrying value	
As at March 31, 2020	3,083.64
As at March 31, 2019	-

5. INTANGIBLE ASSETS

Particulars	Computer Software
Gross carrying value	
Opening balance as at April 1, 2018	23.90
Additions	62.60
Disposals / adjustments	(20.70)
Balance as at March 31, 2019	65.80
Additions	3.95
Disposals / adjustments	(0.26)
Balance as at March 31, 2020	69.49
Accumulated amortisation	
Opening balance as at April 1, 2018	11.01
Amortisation expense	19.15
Disposals / adjustments	(20.64)
Balance as at March 31, 2019	9.52
Amortisation expense	23.90
Disposals / adjustments	(0.26)
Balance as at March 31, 2020	33.16
Net carrying value	
As at March 31, 2020	36.33
As at March 31, 2019	56.28

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

6. OTHER FINANCIAL ASSETS (Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Security deposits	479.58	508.99
Total	479.58	508.99
Current		
Accrued interest on bank deposits	37.12	1.05
Total	37.12	1.05

Note: Other financial assets have been pledged against cash credit.

7. DEFERRED TAX ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (a)	358.80	164.16
Deferred tax liabilities (b)	9.10	4.44
Deferred tax assets (net) (a-b)	349.70	159.72

Particulars	As at April 1, 2019	Charged to profit or loss	Charged to other comprehensive income	As at March 31, 2020
a. Deferred tax assets in relation to:				
Provision for employee benefits	27.91	0.31	3.35	31.57
Property, plant and equipment and intangible assets	123.57	0.41	-	123.98
Fair value of security deposits given	4.36	(1.55)	-	2.81
Deferred tax assets (DTA) created on difference between Right of Use (ROU) assets & Lease Liabilities as on April 01, 2019 (refer note 35)	-	-	-	216.01
Right of use assets & lease liabilities	-	(38.90)	-	(38.90)
Others	8.32	15.01	-	23.33
Total	164.16	(24.72)	3.35	358.80
b. Deferred tax liabilities in relation to:				
Others	4.44	4.66	-	9.10
Total	4.44	4.66	-	9.10
Net Deferred tax assets	159.72	(29.38)	3.35	349.70

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

Particulars	As at April 1, 2018	Charged to profit or loss	Charged to other comprehensive income	As at March 31, 2019
a. Deferred tax assets in relation to:				
- Provision for employee benefits	19.90	10.09	(2.08)	27.91
- Property, plant and equipment and intangible assets	89.33	34.24	-	123.57
- Fair value of security deposits given	3.41	0.95	-	4.36
- Others	3.48	4.84	-	8.32
Total	116.12	50.12	(2.08)	164.16
b. Deferred tax liabilities in relation to:				
- Others	1.11	3.33	-	4.44
Total	1.11	3.33	-	4.44
Net Deferred tax assets	115.01	46.79	(2.08)	159.72

8. INCOME TAX ASSETS

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current income tax assets (net of provision for tax of ₹ 58718 ; March 31, 2019: ₹ 406.39) (Refer Note 41.2)	455.20	126.02

9. OTHER ASSETS (Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Capital advances	0.52	0.12
(b) Prepayments	28.41	82.35
Total	28.93	82.47
Current		
(a) Advances to suppliers	23.13	27.13
(b) Balance with government authorities (Goods and services tax input receivable)	193.43	102.29
(c) Prepayments	37.16	51.17
(d) Advances to employees	6.17	1.19
(e) Other advances	1.47	2.32
(f) Other Current assets	54.41	45.02
Total	315.77	229.12

Note: Other assets have been pledged against cash credit.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

10. INVENTORIES (lower of cost and net realisable value)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	273.16	288.77
Work-in-progress	651.12	669.43
Finished goods	2,342.29	1,782.63
Stock-in-trade	35.33	-
Total	3,301.90	2,740.83

- Notes:** i) The cost of inventories recognised as an expense during the year ended March 31, 2020 is ₹ 4,023.29 (for the year ended March 31, 2019: ₹ 3,899.12).
- ii) The cost of inventories recognised as an expense includes ₹ 360.94 (for the year ended March 31, 2019: ₹ 139.47) in respect of write-downs of inventory to net realisable value.
- iii) Inventories amounting to ₹ 1,190.82 (As at March 31, 2019: ₹ 1,066.21) are lying with third parties as at the year-end.
- iv) The mode of valuation of inventory has been stated in note 2.17.
- v) Inventories have been pledged against cash credit.

11. INVESTMENTS

Current

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted Investments (measured at fair value through profit or loss)		
Investments in Mutual Funds		
- Liquid Mutual Fund units	1,180.75	1,166.52
Quoted Investments (measured at fair value through profit or loss)		
Investments in debentures		
- 8.7% Kotak Mahindra Prime Limited -Non Convertible Debentures - November 08, 2019	-	211.00
Total	1,180.75	1,377.52
Aggregate amount of unquoted investments	1,180.75	1,166.52
Aggregate amount of quoted investments	-	211.00

Note: Investments have been pledged against cash credit.

12. TRADE RECEIVABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Unsecured, considered good	1,756.20	1,807.25
Unsecured, considered doubtful	68.18	23.80
	1,824.38	1,831.05
Less: Allowance for doubtful trade receivables (expected credit loss allowance)	68.18	23.80
Total	1,756.20	1,807.25

- Notes:** i) The average credit period on sale of products is 30 to 60 days. No interest is charged on trade receivables on delayed payments.
- ii) The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a detailed analysis of trade receivables. The analysis takes into account historical credit loss experience and adjusted for forward looking information.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

- iii) Movement in expected credit loss allowance.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance as at the beginning of the year	23.80	9.93
Movement in the expected credit loss allowance on trade receivables	44.38	13.87
Balance as at the end of the year	68.18	23.80

- iv) Age of receivables.

Particulars	As at March 31, 2020	As at March 31, 2019
Less than 180 days	1,772.92	1,807.25
More than 180 days	51.46	23.80
	1,824.38	1,831.05

- v) Ageing wise % of expected credit loss allowance

Particulars	As at March 31, 2020	As at March 31, 2019
Less than 180 days	0% to 1%	0%
More than 180 days (net of allowance for doubtful trade receivable)	100%	100%

- vi) There are 2 customers (March 31, 2019: 1 customer) who, represent more than 5% of the total balance of trade receivables
- vii) Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.
- viii) There are no outstanding trade receivables due from directors or other officers of the Company.
- ix) Trade receivables have been pledged against cash credit.

13. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents includes cash on hand and in banks. cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	2.15	11.03
Balance with Banks		
- In current accounts	27.29	204.60
- In demand deposit accounts	500.00	-
Total	529.44	215.63

Note: Cash and cash equivalents have been pledged against cash credit.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

14. OTHER BANK BALANCES

Particulars	As at	
	March 31, 2020	March 31, 2019
Balances with banks		
- As margin money against letter of credit	-	12.45
- In earmarked deposit accounts against borrowings and guarantees	2.80	2.79
Total	2.80	15.24

Note: Other bank balances have been pledged against cash credit.

15. EQUITY SHARE CAPITAL

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Authorised share capital:				
Equity share capital				
Equity Shares of ₹ 2 each (March 31, 2019: ₹ 2 each) with voting rights	18,00,00,000	360.00	18,00,00,000	360.00
Preference share capital				
Preference shares of ₹ 1 each (March 31, 2019: ₹ 1 each)	2,00,00,000	20.00	2,00,00,000	20.00
	20,00,00,000	380.00	20,00,00,000	380.00
Issued share capital:				
Equity Shares of ₹ 2 each (March 31, 2019: ₹ 2 each) with voting rights	6,14,74,874	122.95	6,13,23,124	122.65
	6,14,74,874	122.95	6,13,23,124	122.65
Subscribed and Paid-up share capital				
Equity Shares of ₹ 2 each (March 31, 2019: ₹ 2 each) with voting rights	6,14,74,874	122.95	6,13,23,124	122.65
Total	6,14,74,874	122.95	6,13,23,124	122.65

a. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	For the year ended		For the year ended	
	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Equity shares with voting rights				
At the beginning of the year	6,13,23,124	122.65	5,63,70,398	112.74
Shares issued during the year	1,51,750	0.30	49,52,726	9.91
At the end of the year	6,14,74,874	122.95	6,13,23,124	122.65

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

b. Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of the shareholder	As at		As at	
	March 31, 2020		March 31, 2019	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Wagner Limited	1,80,20,119	29.36%	1,80,20,119	29.39%
Arvinder Singh Pasricha	94,70,671	15.41%	94,70,671	15.44%
Onkar Singh Pasricha	67,52,681	10.98%	67,52,681	11.01%
Anant Daga	36,05,124	5.86%	36,05,124	5.88%
Parmeet Pasricha	32,03,405	5.21%	32,03,405	5.22%

c. Shares reserved for issuance towards outstanding employee stock options granted/available for grant:

Particulars	As at	
	March 31, 2020	March 31, 2019
Equity Shares of ₹ 2 each (March 31, 2019: ₹ 2 each) (No. in Millions)	7.20	7.31

d. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each as at March 31, 2020 (March 31, 2019: ₹ 2 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

15A. INSTRUMENTS ENTIRELY EQUITY IN NATURE

Particulars	As at	
	March 31, 2020	March 31, 2019
Convertible redeemable debentures	-	-

Terms and conditions for Convertible redeemable debentures

On February 2, 2018 the Company had issued 1,298,132 fully paid up Convertible Redeemable Debentures ("CRDs") at the price of ₹186.63 per CRD amounting to ₹242.27 carrying an interest rate of 0.01% per annum. The holder of the CRD, could, at any time, cause the Company to convert such CRD into Equity Shares of ₹1 each on a 1:1 basis, provided, however, that the CRDs shall automatically be converted into Equity Shares immediately prior to the filing of a Red Herring Prospectus (RHP) by the Company in connection with a proposed Initial Public Offering of its Equity Shares. The Company converted above CRDs into 649,066 equity shares of face value of ₹2 each in the Board Meeting held on May 28, 2018.

16. OTHER EQUITY

Particulars	As at	
	March 31, 2020	March 31, 2019
General reserve	29.60	29.60
Securities Premium	3,297.39	3,234.33
Share options outstanding account	557.66	488.58
Retained earnings	2,592.40	2,310.45
Total	6,477.05	6,062.96

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

i. General reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at beginning of the year	29.60	29.60
Addition during the year	-	-
Balance as at end of the year	29.60	29.60

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.

ii. Securities Premium

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at beginning of the year	3,234.33	1,820.09
Issue of shares	45.22	620.98
Transfer from share option outstanding account	17.84	793.26
Balance as at end of the year	3,297.39	3,234.33

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

iii. Share Option outstanding account

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at beginning of the year	488.58	1,117.76
Recognition of share based payments	86.92	164.08
Transfer to Share premium reserve	(17.84)	(793.26)
Balance as at end of the year	557.66	488.58

The above reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 39.

iv. Retained earnings

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at beginning of the year	2,310.45	992.22
Transition impact of Ind AS 116 (net of tax) (Refer note 35)	(402.19)	-
Profit for the year	694.12	1,314.35
Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of income tax)	(9.98)	3.88
Balance as at end of the year	2,592.40	2,310.45

Retained earnings reflect surplus / deficit after taxes in the statement of profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve and also considering the requirements of the Companies Act, 2013.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

17. BORROWINGS

Particulars	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
Current maturities of long-term borrowings (secured)		
Vehicle loans from others	-	2.18
Less: Reclassified to other financial liabilities (Refer note 18)	-	(2.18)
Total	-	-

18. OTHER FINANCIAL LIABILITIES (carried at amortised cost)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current		
Security deposits received	66.75	60.35
Total	66.75	60.35
Current		
(a) Current maturities of long-term borrowings (secured) (Refer note 17)	-	2.18
(b) Creditors for capital goods	23.39	20.51
(c) Security deposits received	51.87	52.85
(d) Interest accrued on trade payables (Refer note 21)	1.65	3.43
Total	76.91	78.97

19. Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current		
Provision for employee benefits:		
(a) Provision for compensated absences	15.01	10.45
(b) Provision for gratuity (Refer note 36)	107.40	67.54
Total	122.41	77.99
Current		
Provision for employee benefits:		
(a) Provision for compensated absences	1.10	0.82
(b) Provision for gratuity (Refer note 36)	1.94	1.05
Total	3.04	1.87

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

20. Other liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current		
Deferred income	4.62	5.80
	4.62	5.80
Current		
(a) Deferred income	4.88	6.01
(b) Advances from customers	0.87	10.91
(c) Statutory dues	62.83	113.47
(d) Refund liability for expected sales return	133.56	110.51
Total	202.14	240.90

21. Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Trade Payables (including acceptances)*		
(a) Total outstanding dues of micro and small enterprises	289.78	184.40
(b) Total outstanding dues other than micro and small enterprises	933.16	965.57
Total	1,222.94	1,149.97

* Acceptances include arrangements where operational supplier of goods and services are initially paid by banks while the Company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 days. Acceptances aggregate to ₹ 125.47 and ₹ 23.85 as on March 31, 2020 and March 31, 2019 respectively.

Notes:

- The average credit period on purchases of goods and services are within 30 to 75 days.
- Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
(i) The principal amount remaining unpaid to supplier as at the end of the year	289.78	184.40
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	1.65	3.43
(iii) The amount of interest-due and payable for the period of delay in making payment (which have been paid beyond the appointed day during the year) but without adding the interest specified under this Act	5.41	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	1.65	2.61
(v) The amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961	1.65	3.43

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

22. INCOME TAX LIABILITIES (NET)

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax liability (net of advance tax, self assessment tax, tax deducted at source of ₹ 775.04 ; March 31, 2019: ₹ 775.04)	57.47	57.47

23. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of products (refer note below)	11,485.37	11,478.74
(b) Other operating revenue		
- Duty drawback and export scheme license	1.30	0.79
Total	11,486.67	11,479.53

Note:

Reconciliation of revenue recognised with contract price :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from sale of products (gross) at contract price	12,571.98	12,363.36
Adjustments for:-		
Discount and incentives as per contract / schemes	(1,086.61)	(884.62)
Net revenue for sale of products	11,485.37	11,478.74

24. OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income earned on financial assets that are measured at amortised cost		
- Bank deposits	0.88	16.02
- Security deposits	39.00	11.16
(b) Income earned on financial assets that are measured at fair value through profit or loss		
- Interest income on Debentures	8.68	11.10
- Dividend income on Liquid Mutual Funds	60.16	14.67
(c) Others		
- Interest on incometax refund (Refer note 41.2)	35.98	-
- Net gain arising on financial assets designated as at fair value through profit or loss	0.35	1.54
- Net gain on sale of financial assets	10.43	6.74
- Net gain on written back of lease liability (Refer note 35)	52.58	-
- Miscellaneous income	3.33	13.98
Total	211.39	75.21

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

25. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw materials at the beginning of the year	288.77	239.83
Add: Purchases*	4,491.21	4,400.54
	4,779.98	4,640.37
Less: Raw materials at the end of the year	273.16	288.77
Total	4,506.82	4,351.60
*Including job-work charges	1,989.01	1,792.69

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Closing stock		
- Work-in-progress	651.12	669.43
- Finished goods	2,342.29	1,782.63
- Stock-in-trade	35.33	-
	3,028.74	2,452.06
(b) Opening stock		
- Work-in-progress	669.43	449.62
- Finished goods	1,782.63	1,549.96
- Stock-in-trade	-	-
	2,452.06	1,999.58
Total	(576.68)	(452.48)

27. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Salaries and wages	1,341.08	1,149.80
(b) Share based payments to employees (refer note 39)	86.92	164.05
(c) Contribution to provident fund	74.91	57.70
(d) Gratuity expense (refer note 36)	30.41	23.82
(e) Staff welfare expenses	42.58	42.37
Total	1,575.90	1,437.74

28. FINANCE COSTS

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest expenses for financial liabilities (classified at amortised cost)		
- Borrowings	0.74	0.48
- Trade payables	3.63	2.61
- Security deposits	1.25	1.38
(b) Other borrowing costs	1.60	0.67
(c) Interest on lease liabilities (Refer note 35)	374.67	-
Total	381.89	5.14

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

29. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Depreciation of property, plant and equipment	237.46	202.95
(b) Depreciation of right-of-use asset (Refer note 35)	770.15	-
(c) Amortisation of intangible assets	23.90	19.15
Total	1,031.51	222.10

30. OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Power and fuel	80.63	79.10
(b) Rent (Refer note 35)	225.85	1,099.43
(c) Repair and maintenance	239.80	173.61
(d) Insurance expenses	5.41	3.14
(e) Rates and taxes	11.21	6.46
(f) Communication expenses	9.96	9.58
(g) Travelling and conveyance	34.85	33.44
(h) Printing and stationery	4.94	4.36
(i) Freight charges	94.20	66.98
(j) Advertisement and sales promotion	411.89	375.52
(k) Donations and contributions	0.20	0.57
(l) Legal and professional	73.22	53.47
(m) Payments to auditors (Refer note 'ii' below)	12.03	13.21
(n) Expenditure on corporate social responsibility (Refer note 'i' below)	25.87	8.85
(o) Loss on plant and equipment sold / scrapped / written off (Refer note 'iii' below)	28.30	19.70
(p) Selling and distribution expenses	2,690.63	2,387.99
(q) Allowance for expected credit loss	44.38	13.87
(r) Miscellaneous expenses	31.47	25.13
Total	4,024.84	4,374.41

Notes:

(i) Expenditure on corporate social responsibility

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Gross amount required to be spent by the Company during the year	27.68	23.43
(b) Amount spent on construction/ acquisition of assets	-	-
(c) Amount spent during the year for purposes other than construction/ acquisition of assets	25.87	8.85
(d) Amount paid to related party	-	-

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

(ii) Payment to auditors comprise (net of tax input credit, where applicable):

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
To statutory auditors :		
(a) For audit (including Limited review)	7.50	6.80
(b) For taxation matters	2.62	2.78
(c) For other services (including certification)	1.70	3.37
(d) Reimbursement of expenses	0.21	0.26
Total	12.03	13.21

(iii) Loss on plant and equipment sold / scrapped / written off :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Loss on sale of property, plant and equipment	10.21	13.29
Property, plant and equipment written off	18.09	6.41
Total	28.30	19.70

31. TAX EXPENSE

(i) Income tax recognised in profit or loss

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Current tax	180.79	348.67
(b) Adjustment for tax related to earlier years (Refer note 41.2)	(243.66)	-
(c) Deferred tax (Refer note 41.1)	29.38	(46.79)
Total	(33.49)	301.88

(ii) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	660.63	1,616.23
(a) Income tax expense calculated at 25.168% (For the year ended March 31, 2019: 34.944%)	166.27	564.78
(b) Effect of expenses that are not deductible in determining taxable profit		
- Corporate social responsibility expenses (Including donations)	6.51	3.09
- Effect of deferred tax balances due to change in income tax rate from 34.944% to 25.168%	106.36	-
- Others	4.93	44.67
	117.80	47.76
(c) Effect of expenses that are deductible in determining taxable profit		
- Impact of Share based payments to employees (Refer Note below)	(14.17)	(270.61)
- Deduction u/s 80JJAA in respect of employment of new employees	(34.96)	(40.05)
- Others	(24.77)	-
	(73.90)	(310.66)

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(d) - Income tax refund for the assessment year 2017-18 (refer note 41.2)	(243.66)	-
Income tax recognised in profit or loss (a+b+c+d)	(33.49)	301.88

(iii) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax arising on expense recognised in other comprehensive income:		
Items that will not be reclassified to profit or loss		
- Remeasurement of the defined benefit plans	3.35	(2.08)

Notes:

Based on legal opinion from external counsels, the Company has during the year claimed a total allowance of ₹ 143.23 (March 31, 2019: ₹ 937.33) on account of Employee Stock Option (ESOP) expenses while computing its income tax liability for the year ended March 31, 2020. The same includes ESOP expense charged to profit and loss account aggregating to ₹ 86.92 (March 31, 2019: ₹ 164.05) and perquisite value of ESOP arising on exercise of Employee Stock Options aggregating to ₹ 56.31 (March 31, 2019: ₹ 773.28) (not charged to profit and loss account in earlier years) (refer note 41.2).

32. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Contingent Liabilities (for pending litigations)		
Claims against the Company not acknowledged as debts (Refer note 32.1 below)		
- Demand raised by sales tax authorities (net of provisions of ₹ 6.31 million (March 31, 2019: ₹ 2.14 million))	6.05	2.66
- Demand raised by income tax authorities	3.87	2.70
- Contribution to provident fund under the Employee Provident Fund and Miscellaneous Provisions Act, 1952 (Refer note 32.5 below)	-	-
B. Commitments		
Estimated amount of contracts remaining to be executed on tangible assets and not provided for (net of advances) (Refer note 32.2 below)	3.80	3.90

Notes:

- 32.1** No provision is considered necessary since the Company expects favourable decisions.
- 32.2** Apart from the commitments disclosed above, the Company has no financial commitments other than those in the nature of regular business operations.
- 32.3** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 32.4** There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- 32.5** Based upon the legal opinion obtained by the management, there are various interpretation issues in the Supreme Court Judgement in relation to nonexclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on the Company, if any, can not be ascertained.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

33. SEGMENT REPORTING

The Company is primarily engaged in the business of women apparels and accessories in India. Accordingly, the Company views its business activities as one business segment, therefore there are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108 - "Operating Segments".

Geographic wise details of Revenue from operations:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Within India	11,422.38	11,419.36
Outside India	62.99	59.38

Geographic wise details of non-current assets*:

Particulars	As at March 31, 2020	As at March 31, 2019
Within India	3,567.36	677.56
Outside India	-	-

* Non-current assets excludes other financial assets, deferred tax assets and tax assets.

There is no single customer who contributes 10% or more to the Company's revenue for the years ended March 31, 2020 and March 31, 2019.

34. EARNINGS PER SHARE ('EPS')

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic earnings per share		
Profit for the year (A)	694.12	1,314.35
Weighted average number of equity shares of ₹ 2 each (No. in millions)	61.32	60.33
Add: Effect of share based payment (No. in millions)	2.65	2.31
Add: Effect of Convertible Redeemable Debentures (No. in millions)	-	0.10
Weighted average number of equity shares of ₹ 2 each - for Basic EPS (No. in millions) (B)	63.97	62.74
Basic earnings per share (C=A/B)	10.85	20.95
Diluted earnings per share		
Profit for the year (A)	694.12	1,314.35
Weighted average number of equity shares of ₹ 2 each for Basic EPS (No. in millions)	63.97	62.74
Add: Effect of share based payment (No. in millions)	0.06	1.07
Weighted average number of equity shares of ₹ 2 each - for Diluted EPS (No. in millions) (B)	64.03	63.81
Diluted earnings per share (C=A/B)	10.84	20.60

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

35. TRANSITION TO IND AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 'Leases' using the modified retrospective method. Under the method, the Company (lessee) recognised a lease liability at the present value of all the remaining lease payments as at April 1, 2019, and Right-Of-Use asset ('ROU') at its carrying amount as if Ind AS 116 had been applied since the commencement of the lease. Accordingly, this has resulted in recognising ROU of ₹ 3,341.53 million and corresponding lease liability of ₹ 3,959.70 million and decrease in Retained Earnings (Other Equity) of ₹ 402.19 million (net of Deferred Tax Asset of ₹ 216.03 million) as at April 1, 2019. ROU is depreciated over the remaining lease term and the lease liability is reduced when paid, with the interest on the lease liability being recognised as finance costs. Further, as required under the modified retrospective method, the previous period information is not restated and hence not comparable.

Accordingly, the performance for the year ended March 31, 2020 is not comparable with the previous year. The reconciliation of effect on 'Statement of Profit and Loss' for the year ended March 31, 2020' is as under:

Particulars	Financial year ended March 31, 2020 (comparable basis)	Change due to Ind As 116 increase / (decrease)	Financial year ended March 31, 2020 (as reported)
Finance costs	7.22	374.67	381.89
Depreciation and amortisation expense	261.36	770.15	1,031.51
Rent expenses	1,223.96	(998.11)	225.85
Interest income	-	35.83	35.83
Lease liability written back	-	52.58	52.58
Impact on profit before tax		58.30	

Movement in lease liabilities for the year is as below :

Particulars	Lease liabilities
As at April 1, 2019	-
Recognised on adoption of IndAS116	3,959.70
Additions	344.43
Finance charge	374.67
Repayment of actual lease rentals	(1,006.68)
Lease liability written back	(52.58)
Balance as at March 31, 2020	3,619.54
Current	625.02
Non-current	2,994.52

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

36. EMPLOYEE BENEFIT PLANS

i) Defined Contribution Plan

The Company's contribution to Provident Fund for the year ended March 31, 2020 ₹ 74.91 (for the year ended March 31, 2019: ₹ 57.70) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

ii) Defined Benefit Plan:

Gratuity

a) The Company offers to its employees unfunded defined-benefit plan in the form of a gratuity scheme. Benefits under the unfunded defined-benefit plans are based on years of service and the employees' compensation (immediately before retirement). Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date.

b) This plan typically exposes the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk

The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Liquidity Risk:

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Salary Escalation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation	
	As at March 31, 2020	As at March 31, 2019
(a) Discount rate(s)	6.85% p.a.	7.70% p.a.
(b) Expected rate(s) of salary increase	8.00%	8.00%
(c) Mortality table used	IALM(2012-14)	IALM(2006-08)
(d) Attrition rate		
Below 30 years	3.00%	3.00%
Ages 31-44 years	2.00%	2.00%
Ages 44 and above	1.00%	1.00%

The discount rate is based on prevailing market yields of Government of India bonds as at the balance sheet date for the expected term of obligations.

The estimates of future salary increases considered, takes into account the inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.

d) The following tables sets out the status of the defined benefit scheme in respect of gratuity and amount recognised in the financial statements:

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
I. Amounts recognised in profit or loss in respect of gratuity are as follows:		
a) Current Service Cost	25.12	19.96
b) Past service cost and (gains)/losses from settlements	-	-
c) Net interest expense	5.29	3.86
Components of defined benefit costs recognised in profit or loss	30.41	23.82
Remeasurement on the net defined benefit liability		
a) Actuarial (gains)/loss arising form changes in financial assumptions	15.61	(2.51)
b) Actuarial (gains)/loss arising form changes in demographic assumptions	0.05	-
c) Actuarial (gains)/loss arising form experience adjustments	(2.33)	(3.45)
Components of defined benefit costs recognised in other comprehensive income	13.33	(5.96)
Total	43.74	17.86

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss and the remeasurement of the net defined benefit liability is included in 'Other comprehensive income'.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

II. Net Asset/(Liability) recognised in the Balance Sheet

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
a) Present value of defined benefit obligation	109.34	68.59
b) Fair value of plan assets	-	-
c) Surplus/(Deficit)	109.34	68.59
d) Current portion of the above	1.94	1.05
e) Non current portion of the above	107.40	67.54

III. Change in the obligation during the year

Particulars	Gratuity	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Present value of defined benefit obligation at the beginning of the year	68.59	51.55
Expenses recognised in Profit and Loss Account		
- Current service cost	25.12	19.96
- Past service cost	-	-
- Interest expense (income)	5.29	3.86
<i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains / (losses)</i>		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	15.61	(2.51)
ii. Demographic Assumptions	0.05	-
iii. Experience Adjustments	(2.33)	(3.45)
Benefit payments	(2.99)	(0.82)
Present value of defined benefit obligations at the end of the year	109.34	68.59

- e) Sensitivity for significant actuarial assumption is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant:

Principal assumption	Changes in assumption	Valuation of Defined benefit obligation	
		Increase in Obligation	Decrease in obligation
i) Discount rate			
As at March 31, 2020	1%	91.23	132.31
As at March 31, 2019	1%	57.62	82.39
ii) Salary growth rate			
As at March 31, 2020	1%	131.82	91.24
As at March 31, 2019	1%	82.21	57.55
iii) Rate of employee turnover			
As at March 31, 2020	50%	106.27	112.80
As at March 31, 2019	50%	67.54	69.70

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

Principal assumption	Changes in assumption	Valuation of Defined benefit obligation	
		Increase in Obligation	Decrease in obligation
iv) Mortality Rate			
As at March 31, 2020	10%	109.28	109.39
As at March 31, 2019	10%	68.57	68.59

Notes:

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

37. RELATED PARTY TRANSACTIONS AND BALANCES

a. Names of related parties and related party relationships

I. Key management personnel

Mr. Onkar Singh Pasricha, Director
 Mr. Naresh Patwari, Director
 Mr. Bhaskar Pramanik, Director
 Ms. Neeru Abrol, Director
 Ms. Sangeeta Talwar, Director
 Mr. Anant Kumar Daga, Managing Director
 Mr. Venkatesh Tarakkad, Chief Financial Officer
 Mr. Piyush Asija, Company Secretary

II. Relatives of key management personnel

Mr. Saranpreet Singh Pasricha (Son of Mr. Onkar Singh Pasricha)
 Mr. Arvinder Singh Pasricha (Brother of Mr. Onkar Singh Pasricha)

III. Companies under the significant influence of key management personnel

TCNS Limited
 Talentnomics India

IV. Company having significant influence over the Company

Wagner Limited

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

b. Related party transactions

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Transactions during the year		
Rent and hire charges		
- TCNS Limited	-	0.13
Fabrication charges		
- TCNS Limited	306.58	341.57
MSMED Interest		
- TCNS Limited	1.19	-
Training charges		
- Talentnomics India	0.12	0.17
Issue of Equity Shares		
<i>Key management personnel</i>		
- Mr. Onkar Singh Pasricha	-	121.14
<i>Relatives of key management personnel</i>		
- Mr. Arvind Singh Pasricha	-	121.14

c. Related party outstanding balances

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
- TCNS Limited	73.83	49.68
- Talentnomics India	-	0.05
- Key management personnel	10.56	8.65

d. Compensation of key management personnel

The related party transactions with above key management personnel comprising directors, chief financial officer and relative of key management personnel are as follows :-

Particulars	As at March 31, 2020	As at March 31, 2019
Short-term benefits*	44.81	41.48
Post-employment benefits	2.13	0.73
Share-based payments**	49.52	95.81
Sitting fees	3.08	3.60
Total	99.54	141.62

* Amount for an expense of gratuity and compensated absences is taken on actuarial basis.

** This amount does not include the perquisite value of stock options exercised during the year.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

38. FINANCIAL INSTRUMENTS

38.1 Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of total equity (Refer Note 15 and 16) and net debt (Refer note 17 and 18).

The Company's risk management committee reviews the capital structure on a regular basis. As part of this review, the committee considers the cost of capital, risks associated with each class of capital.

Gearing Ratio

Particulars	As at March 31, 2020	As at March 31, 2019
Debt [refer note (i)]	-	2.18
Less: cash and bank balances	532.24	230.87
Net Debt (I)	(532.24)	(228.69)
Total equity (II)	6,600.00	6,185.61
Net debt to equity ratio (I/II) [refer note (ii)]	0%	0%

Note:

- (i) Debt is defined as long-term and short-term borrowing including current maturities of long-term borrowings.
- (ii) Net debt to equity ratio is restricted to zero percentage wherever cash and bank balances are more than debt.

38.2 Categories of financial instruments

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL) (mandatorily measured)		
(a) Investments in Mutual Funds	1,180.75	1,166.52
(b) Investments in debentures	-	211.00
Measured at amortised cost		
(a) Trade receivables	1,756.20	1,807.25
(b) Cash and cash equivalents	529.44	215.63
(c) Other bank balances	2.80	15.24
(d) Other financial assets	516.70	510.04
Financial liabilities		
Measured at amortised cost		
(a) Borrowings (including current maturities of long-term borrowings)	-	2.18
(b) Lease liability	3,619.55	-
(c) Trade payables	1,222.94	1,149.97
(d) Other financial liabilities (excluding current maturities of long-term borrowings)	143.66	137.14

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such Financial assets.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

38.3 Financial risk management objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's risk management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and price risk), credit risk and liquidity risk.

38.3.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. There are no material market risk affecting the financial position of the Company.

38.3.1.1 Currency Risk

Currency risk is the risk or uncertainty arising from possible currency movements and their impact on the future cash flows of a business. There are no material currency risk affecting the financial position of the Company.

38.3.1.2 Interest Risk

Interest risk is the risk or uncertainty arising from possible interest rate movements and their impact on the future obligations or cash flows of a business. There are no material interest risk affecting the financial position of the Company.

38.3.1.3 Price Risk

Price risk is the risk or uncertainty arising from possible raw material price movements and their impact on the future performance of a business. There are no material price risk affecting the financial position of the Company.

38.3.1.4 Foreign currency risk management

The Company undertakes transactions denominated in different foreign currencies and consequently exposed to exchange rate fluctuations.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows.

(₹ in million)

Particulars	Liabilities (INR)		Assets (INR)	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
USD	-	-	4.85	11.69

Foreign currency sensitivity analysis

The Company is principally exposed to foreign currency risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant outstanding foreign currency denominated monetary items. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where Rupee appreciates 10% against the relevant currency. A negative number below indicates a decrease in profit or equity where the Rupee depreciates 10% against the relevant currency.

Particulars	As at March 31, 2020		As at March 31, 2019	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Profit or (loss)	(0.49)	0.49	(1.17)	1.17

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

38.3.2 Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The concentration of credit risk in relation to trade receivables is high considering the number of customers having more than 5% of outstanding trade receivables as mentioned in Note 12. Credit risk has always been monitored and managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Bank balances are held with reputed and creditworthy banking institutions.

Financial instrument and cash deposit

Credit risk is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in unit linked insurance plan. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

38.3.3 Liquidity risk management

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets and liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Weighted average effective interest rate(%)	Less 1 month	1 month -1 year	1 year - 3 years	More than 3 years	Total	Carrying Amount
As at March 31, 2020							
Non-Interest bearing							
Trade payables	-	647.88	575.06	-	-	1,222.94	1,222.94
Other financial liabilities	-	-	25.04	-	-	25.04	25.04
Variable Interest rate instruments							
Vehicle Loans	10.50%	-	-	-	-	-	-
Fixed Interest rate instruments							
Security deposits received	9.68%	-	51.87	76.25	-	128.12	118.63
Total		647.88	651.97	76.25	-	1,376.10	1,366.60

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

Particulars	Weighted average effective interest rate(%)	Less 1 month	1 month -1 year	1 year - 3 years	More than 3 years	Total	Carrying Amount
As at March 31, 2019							
Non-Interest bearing							
Trade payables	-	498.08	651.89	-	-	1,149.97	1,149.97
Other financial liabilities	-	-	23.94	-	-	23.94	23.94
Variable Interest rate instruments							
Vehicle Loans	10.50%	-	2.18	-	-	2.18	2.18
Fixed Interest rate instruments							
Security deposits received	9.68%	-	52.85	72.57	-	125.42	113.20
Total		498.08	730.87	72.57	-	1,301.51	1,289.30

Further table below set out the detail of additional undrawn facility that the Company has at its disposal to further reduce liquidity risk:

Particulars	As at March 31, 2020	As at March 31, 2019
Undrawn cash credit limit	476.00	303.45
Undrawn overdue limit	-	-

38.3.4 Fair value measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on recurring basis:

Financial assets / Financial liabilities	Fair values		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2020	As at March 31, 2019		
Investments in Mutual Funds	1,180.75	1,166.52	Level 2	Net Asset Value (NAV) declared by Asset Management Company
Investments in Debentures	-	211.00	Level 2	Net Asset Value (NAV) declared by Asset Management Company

38.3.5 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements except as per note 38.3.4 approximate their fair values.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39. SHARE-BASED PAYMENT OF THE COMPANY

39.1 Employee share option plan

39.1.1 TCNS ESOP Scheme 2014 - 2017 (Refer note 42)

39.1.1.1 TCNS Employee Stock Option Plan 2014 ("the 2014 Plan"):

The Company had instituted the 2014 Plan, which was approved by the Board of Directors on July 1, 2014 which was further amended vide special resolution passed in extra ordinary general meeting held on March 16, 2015. The 2014 Plan provides for grant of stock options aggregating not more than 6,900,000 number of issued equity shares of the Company to eligible employees of the Company. The 2014 Plan is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions. Vesting period ranges from one to four years and options can be exercised within 10 years from vesting date. As per the 2014 plan, the exercise price in respect of the options shall be such prices as decided by the Compensation Committee. However, the Exercise shall not be lower than nominal par value of the shares appearing in the Company's books of account. Refer note 40 for change in assumptions on modification from cash settled to equity settled.

Employee stock options details are as follows:

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	0.03	76.00	1.81	76.00
Option granted during the year:	-	-	-	-
Options exercised during the year:	-	76.00	1.78	76.00
Options lapsed during the year:	-	-	-	-
Options outstanding at the end of the year:	0.03	76.00	0.03	76.00
- Vested	0.03	76.00	0.03	76.00
- Balance to be vested	-	-	-	-
Weighted average exercise price per option		76		76
Weighted average remaining contractual life for options outstanding		6.33 years		7.33 years
Range of Exercise Price		76.00		76.00
Grant date share price		261.28		261.28
Weighted average fair value of options		195.68		195.68
Exercise price		76.00		76.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	49.26%-49.39%	49.26%-49.39%
Option life (Expected)	1.88-2.59	1.88-2.59
Dividend yield	-	-
Risk-free interest rate	6.85%-6.87%	6.85%-6.87%
Option pricing model used	Black-scholes model	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.2 TCNS Senior Management Stock Option Plan 2015:

The Company had instituted the TCNS Senior Management Stock Option Plan 2015, which was approved by the Board of Directors on November 19, 2015. The TCNS Senior Management Stock Option Plan 2015 provides for grant of stock options aggregating not more than 3,975,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Senior Management Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date. As per the TCNS Senior Management Stock Option Plan 2015, the exercise price in respect of the options shall be such price as decided by the Compensation Committee. However, the exercise price shall not be lower than nominal par value of the shares as appearing in the Company's books of account. Refer note 40 for change in assumptions on modification from cash settled to equity settled.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	1.30	100	3.80	100
Option granted during the year	-	-	-	-
Options exercised during the year	-	100	2.50	100
Options lapsed during the year	-	-	-	-
Options outstanding at the end of the year:	1.30	100	1.30	100
- Vested	1.30	100	1.30	100
- Balance to be vested	-	-	-	-
Weighted average exercise price per option		100		100
Weighted average remaining contractual life for options outstanding		7.32 years		8.32 years
Range of Exercise Price		100		100
Grant date share price (Weighted average)		261.30		261.30
Weighted average fair value of options granted during the year		176.42		176.42
Exercise price		100.00		100.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	49.26%-49.39%	49.26%-49.39%
Option life (Expected)	2-2.63	2-2.63
Dividend yield	-	-
Risk-free interest rate	6.85%-6.87%	6.85%-6.87%
Option pricing model used	Black-scholes model	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.3 TCNS Senior Executive Stock Option Plan 2015:

The Company had instituted the TCNS Senior Executive Stock Option Plan 2015, which was approved by the Board of Directors on November 19, 2015. The TCNS Senior Executive Stock Option Plan 2015 provides for grant of stock options aggregating not more than 200,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Senior Executive Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date. As per the TCNS Senior Executive Stock Option Plan 2015, the exercise price in respect of the options shall be such price as decided by the Compensation Committee. However, the exercise price shall not be lower than nominal par value of the shares as appearing in the Company's books of account. Refer note 40 for change in assumptions on modification from cash settled to equity settled.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	0.18	100	0.20	100
Option granted during the year	-	-	-	-
Options exercised during the year	-	100	0.02	100
Options lapsed during the year	-	-	-	-
Options outstanding at the end of the year:	0.18	100	0.18	100
- Vested	0.18	100	0.18	100
- Balance to be vested	-	-	-	-
Weighted average exercise price per option		100		100
Weighted average remaining contractual life for options outstanding		7.47 years		8.47 years
Range of Exercise Price		100.00		100.00
Grant date share price		261.28		261.28
Weighted average fair value of options granted during the year		176.42		176.42
Exercise price		100.00		100.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	49.39%	49.39%
Option life (Expected)	1.77-2	1.77-2
Dividend yield	-	-
Risk-free interest rate	6.85%	6.85%
Option pricing model used	Black-scholes model	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.4 TCNS Employee Stock Option Plan 2015:

The Company had instituted the TCNS Employee Stock Option Plan 2015, which was approved by the Board of Directors on June 27, 2017. The TCNS Employee Stock Option Plan 2015 provides for grant of stock options aggregating not more than 600,000 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan 2015 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to four years and options can be exercised within 10 years from vesting date, or such other period as may be determined by the Compensation Committee in this regard. As per the TCNS Employee Stock Option Plan 2015, the Exercise Price in respect of the Options shall be such price as decided by the Compensation Committee. However, the Exercise price shall not be lower than nominal par value of the Shares as appearing in the Company's books of account.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	0.56	300	0.60	300
Option granted during the year	-	-	-	-
Options exercised during the year	0.15	300	0.01	300
Options lapsed during the year	0.01	300	0.03	300
Options outstanding at the end of the year:	0.40	300	0.56	300
- Vested	0.13	300	0.14	300
- Balance to be vested	0.27	300	0.42	300
Weighted average exercise price per option		100		100
Weighted average remaining contractual life for options outstanding		9.75 years		10.75 years
Range of Exercise Price		300.00		300.00
Grant date share price		261.30		261.30
Weighted average fair value of options granted during the year		117.56		117.56
Exercise price		300.00		300.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	45.83%	45.83%
Option life (Expected)	5.00	5.00
Dividend yield	-	-
Risk-free interest rate	6.68%	6.68%
Option pricing model used	Black-scholes model	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.5 TCNS Employee Stock Option Plan 2017:

The Company had instituted the TCNS Employee Stock Option Plan 2017, which was approved by the Board of Directors on June 27, 2017. The TCNS Employee Stock Option Plan 2017 provides for grant of stock options aggregating not more than 107,500 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan 2017 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date, or such other period as may be determined by the Compensation Committee in this regard. As per the TCNS Employee Stock Option Plan 2017, the Exercise Price in respect of the Options shall be such price as decided by the Compensation Committee. However, the Exercise shall not be lower than nominal par value of the Shares as appearing in the Company's books of account.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	0.11	300.00	0.11	300.00
Option granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options lapsed during the year	-	-	-	-
Options outstanding at the end of the year:	0.11	300.00	0.11	300.00
- Vested	0.08	300.00	0.05	300.00
- Balance to be vested	0.03	300.00	0.05	300.00
Weighted average exercise price per option		300.00		300.00
Weighted average remaining contractual life for options outstanding		8.94 years		9.94 years
Range of Exercise Price		300.00		300.00
Grant date share price		261.28		261.28
Weighted average fair value of options granted during the year		117.74		117.74
Exercise price		300.00		300.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	45.83%	45.83%
Option life (Expected)	5.00	5.00
Dividend yield	-	-
Risk-free interest rate	6.68%	6.68%
Option pricing model used	Black-scholes model	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.6 TCNS Employee Stock Option Plan 2018:

The Company had instituted the TCNS Employee Stock Option Plan 2018, which was approved by the Board of Directors on May 28, 2018. The TCNS Employee Stock Option Plan 2018 provides for grant of stock options aggregating not more than 62,500 of number of issued equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan 2018 is administered by the Compensation Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to two years and options can be exercised within 10 years from vesting date, or such other period as may be determined by the Compensation Committee in this regard. As per the TCNS Employee Stock Option Plan 2018, the Exercise Price in respect of the Options shall be such price as decided by the Compensation Committee. However, the Exercise shall not be lower than nominal par value of the Shares as appearing in the Company's books of account.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	0.06	372.00	-	-
Option granted during the year	-	-	0.06	372.00
Options exercised during the year	-	-	-	-
Options lapsed during the year	-	-	-	-
Options outstanding at the end of the year:	0.06	372.00	0.06	372.00
- Vested	0.01	372.00	-	-
- Balance to be vested	0.05	372.00	0.06	372.00
Weighted average exercise price per option		372.00		372.00
Weighted average remaining contractual life for options outstanding		3.16 years		4.16 years
Range of Exercise Price		372.00		372.00
Grant date share price		288.68		288.68
Weighted average fair value of options granted during the year		122.89		122.89
Exercise price		372.00		372.00
The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:				
Expected volatility*		45.17%		45.17%
Option life (Expected)		5.00		5.00
Dividend yield		-		-
Risk-free interest rate		7.76%		7.76%

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.7 TCNS ESOP Scheme 2018 - 2023

The Company had instituted the TCNS ESOP Scheme 2018 - 2023, which was approved by the Board of Directors on February 02, 2018. The TCNS ESOP Scheme 2018 provides for grant of stock options aggregating not more than 6,467,817 number of equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan scheme 2018-2023 is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of specific vesting conditions based on specific events. Vesting period ranges from one to five years and options can be exercised within 10 years from grant date, or such other period as may be determined by the Nomination and Remuneration Committee in this regard. As per the ESOP Scheme, the Exercise Price in respect of the each option shall be ₹ 373.26 per share.

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Number of options (in millions)	Weighted average exercise price (₹ per share)	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	5.07	373.26	5.07	373.26
Option granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options lapsed during the year	-	-	-	-
Options outstanding at the end of the year:	5.07	373.26	5.07	373.26
- Vested	1.03	373.26	1.03	373.26
- Balance to be vested	4.04	373.26	4.04	373.26
Weighted average exercise price per option		373.26		373.26
Weighted average remaining contractual life for options outstanding		7.84 years		8.84 years
Range of Exercise Price		373.26		373.26
Grant date share price		288.68		288.68
Weighted average fair value of options granted during the year		76.26		76.26
Exercise price		373.26		373.26
The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:				
Expected volatility*		44.28%		44.28%
Option life (Expected)		2.75		2.75
Dividend yield		-		-
Risk-free interest rate		7.16%		7.16%
Option pricing model used	Black-scholes model		Black-scholes model	

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

39.1.1.8 TCNS ESOP Scheme 2019

The Company had instituted the TCNS ESOP Scheme 2019, which was approved by the Board of Directors on November 08, 2019. The TCNS ESOP Scheme 2019 provides for grant of stock options aggregating not more than 83,800 number of equity shares of the Company to eligible employees of the Company. The TCNS Employee Stock Option Plan scheme 2019 is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of specific vesting conditions based on specific events. Vesting period ranges from one to five years and options can be exercised within 10 years from grant date, or such other period as may be determined by the Nomination and Remuneration Committee in this regard. As per the ESOP Scheme, the Exercise Price in respect of the each option shall be ₹ 716 per share.

Particulars	For the year ended March 31, 2020	
	Number of options (in millions)	Weighted average exercise price (₹ per share)
Option outstanding at the beginning of the year	-	716.00
Option granted during the year	0.04	-
Options exercised during the year	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the year:	0.04	716.00
- Vested	-	716.00
- Balance to be vested	0.04	716.00
Weighted average exercise price per option		716.00
Weighted average remaining contractual life for options outstanding		4.61 years
Range of Exercise Price		716.00
Grant date share price		727.95
Weighted average fair value of options granted during the year		
Exercise price		716.00

The fair value of stock options was determined using the Black Scholes option pricing model with following assumptions:

Expected volatility*	35.23%
Option life (Expected)	5.00
Dividend yield	-
Risk-free interest rate	6.31%
Option pricing model used	Black-scholes model

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

39.1.2 The company has changed the face value of its equity shares from ₹ 1 per equity share to ₹ 2 per equity shares on January 5, 2018. For the purpose of above disclosure, the number of equity shares and options have been considered based on face value of ₹ 2 per equity share.

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

40. MODIFICATION TO EMPLOYEE SHARE OPTION PLAN

As per original terms of Company's ESOP Plans (TCNS Employee Stock Option Plan 2014, TCNS Senior Management Stock Option Plan 2015, TCNS Senior Executive Stock Option Plan 2015 and TCNS Employee Stock Option Plan 2015), it required (i) compulsorily buy out the ESOPs that have vested in the ESOP Holders/ any shares allotted to the ESOP Holders upon the exercise of the vested ESOPs and (ii) provide cash payment to the ESOP holders. Subsequently, based on release deed entered on 12 August, 2016, the terms of the ESOP plans were modified and based on modified terms the share options have been converted from cash payment option/compulsorily buy out to equity settled options. The incremental fair value impact due to modification is ₹ 318.76 (out of which ₹ 199.63 is recognised immediately for the vested options and ₹ 119.13 is recognised over the balance vesting period for the options to be vested in future).

TCNS Employee Stock Option Plan 2014:

Particulars	Before modification	After modification
Modification date option price	225.34	261.28
Expected volatility	49.26%-49.39%	49.39%
Option life	1.88-2.59 years	2 years
Dividend yield	-	-
Risk-free interest rate	6.85%-6.87%	6.85%
Option pricing model used	Black-Scholes model	Black-Scholes model

TCNS Senior Management Stock Option Plan 2015:

Particulars	Before modification	After modification
Modification date option price	225.34	261.28
Expected volatility	49.26%	49.39%
Option life	2.63 years	2 years
Dividend yield	-	-
Risk-free interest rate	6.87%	6.85%
Option pricing model used	Black-Scholes model	Black-Scholes model

TCNS Senior Executive Stock Option Plan 2015:

Particulars	Before modification	After modification
Modification date option price	225.34	261.28
Expected volatility	49.39%	49.39%
Option life	1.77 years	2 years
Dividend yield	-	-
Risk-free interest rate	6.85%	6.85%
Option pricing model used	Black-Scholes model	Black-Scholes model

Notes forming part of the Financial Statements For the year ended March 31, 2020 (Contd.)

(All amounts in ₹ million except otherwise specified)

41. TAX EXPENSE

41.1 The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised the tax provision this year and remeasured the deferred tax assets (including deferred tax assets created on transition to IND AS 116 as at April 01, 2019 as stated in note no.35) basis the rates prescribed in that section (i.e. 25.17% inclusive of surcharge and cess). The full impact of this change including deferred tax impact has been recognised in tax expense for the year.

41.2 The Company had claimed credit in relation to deduction of fair value impact of share based payments to employees in the Income Tax return filed for the Assessment year 2017-18 (Financial year ended March 31, 2017). However, the tax credit was not recorded in the financial statements for the year ended March 31, 2017 prepared under previous GAAP. During the current year, the Company has received Income Tax Assessment order for Assessment year 2017-18, where in the tax credit of ₹ 243.66 million along with interest of ₹ 35.98 million has been allowed. Based on the assessment order, the Company has recognized the above tax refund and interest (included under Other Income) during the year ended March 31, 2020. The Company has received the refund amount subsequent to the year end.

42 The Company had granted stock options to its employees, in earlier years, under TCNS Employees Stock Options Plan 2014, TCNS Senior Management Stock option Plan 2015 and TCNS Senior Executive Stock Option Plan 2015 which were duly approved by the shareholders in extra-ordinary general meeting held on July 01, 2014, November 19, 2015 and November 19, 2015 respectively. These stock options were granted when the Company was a private limited Company and accordingly provision of section 197 and 198 of the Companies Act, 2013 (the "Act") were not applicable at the time when these stock options were granted. All the plans were consolidated into TCNS ESOP Scheme 2014-17, the clauses of which were in compliance with applicable Securities and Exchange Board of India (SEBI) and SEBI (Listing Obligations and Disclosures Requirements) regulations, 2015. The consolidated scheme was approved by the shareholders in extra-ordinary general meeting held on February 02, 2018.

43. The Company has assessed the impact of COVID-19 pandemic on its business operations and has considered relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventories, trade receivables and in relation to other financial statement captions. The Company will continue to closely monitor any material changes to future economic conditions. The Company has resumed business activities by reopening its stores on a gradual basis in line with the guidelines issued by the Government authorities.

44. APPROVAL OF FINANCIAL STATEMENTS

These financial statements for the year ended March 31, 2020 were approved by the board of directors on June 20, 2020.

**For and on behalf of the Board of Directors of
TCNS Clothing Co. Limited**

Onkar Singh Pasricha
Chairman
DIN : 00032290

Venkaresh Tarakkad
Chief Financial Officer

Anant Kumar Daga
Managing Director
DIN : 07604184

Piyush Asija
Company Secretary
ICSI M. No. 21328

Place : New Delhi
Date : June 20, 2020